

John B. O'Neal, Fairfax, S. C., in place of J. B. O'Neal. Incumbent's commission expired March 25, 1942.

Lorna M. Hutson, Hardeeville, S. C., in place of L. M. Hutson. Incumbent's commission expired March 25, 1942.

George M. Faile, Kershaw, S. C., in place of H. B. Taylor. Resigned.

John W. Willis, Lynchburg, S. C., in place of J. W. Willis. Incumbent's commission expired March 25, 1942.

James M. Muirhead, Mount Pleasant, S. C., in place of J. M. Muirhead. Incumbent's commission expired March 25, 1942.

William S. Gibson, Sharon, S. C., in place of W. S. Gibson. Incumbent's commission expired March 25, 1942.

Earle M. Wharton, Ware Shoals, S. C., in place of E. M. Wharton. Incumbent's commission expired July 28, 1941.

George C. Cartwright, York, S. C., in place of G. C. Cartwright. Incumbent's commission expired March 25, 1942.

SOUTH DAKOTA

J. Edward Meyer, Mobridge, S. Dak., in place of Carl Hildebrandt, deceased.

George D. Blake, Spearfish, S. Dak., in place of J. P. O'Neill, removed.

TENNESSEE

Lillian G. Freeman, Leoma, Tenn., in place of L. G. Freeman. Incumbent's commission expired February 4, 1942.

William S. Fields, Milan, Tenn., in place of W. S. Fields. Incumbent's commission expired February 16, 1941.

James H. Davenport, Soddy, Tenn., in place of J. H. Davenport. Incumbent's commission expired April 2, 1942.

Phil W. Campbell, Tiptonville, Tenn., in place of P. W. Campbell. Incumbent's commission expired March 1, 1942.

Floyd Mitchell, Tullahoma, Tenn., in place of Floyd Mitchell. Incumbent's commission expired April 3, 1941.

James K. St. Clair, White Bluff, Tenn., in place of J. K. St. Clair. Incumbent's commission expired December 8, 1941.

TEXAS

Marie E. Parker, Anahuac, Tex., in place of M. E. Parker. Incumbent's commission expired March 28, 1942.

John R. Griffin, Blooming Grove, Tex., in place of J. R. Griffin. Incumbent's commission expired March 28, 1942.

Emory D. Cotten, Brownsboro, Tex., in place of E. D. Cotten. Incumbent's commission expired March 28, 1942.

Minnie P. Irving, Center Point, Tex., in place of M. P. Irving. Incumbent's commission expired March 28, 1942.

Lee M. Feagin, Colmesneil, Tex., in place of L. M. Feagin. Incumbent's commission expired November 27, 1941.

Kathleen H. Godsey, Crockett, Tex., in place of K. H. Godsey. Incumbent's commission expired April 6, 1942.

Carlos D. Berry, Dawson, Tex., in place of C. D. Berry. Incumbent's commission expired March 28, 1942.

Gordon Keith Denman, Dumas, Tex., in place of G. K. Denman. Incumbent's commission expired March 28, 1942.

Oscar W. Koym, East Bernard, Tex., in place of O. W. Koym. Incumbent's commission expired April 11, 1942.

Edgar W. Brooks, Eldorado, Tex., in place of E. W. Brooks. Incumbent's commission expired March 28, 1942.

Lionie Childs, Fairfield, Tex., in place of Lionie Childs. Incumbent's commission expired April 6, 1942.

Gladys M. Waters, Grandview, Tex., in place of G. M. Waters. Incumbent's commission expired March 28, 1942.

Warren C. Fargason, Hermleigh, Tex., in place of W. C. Fargason. Incumbent's commission expired April 11, 1942.

Julius D. Gibbs, Kingsville, Tex., in place of J. D. Gibbs. Incumbent's commission expired March 28, 1942.

Willie L. Nelson, Mount Vernon, Tex., in place of W. L. Nelson. Incumbent's commission expired April 11, 1942.

Mae Whitley, New Waverly, Tex., in place of Mae Whitley. Incumbent's commission expired April 11, 1942.

Lizzie F. Grissette, North Zulch, Tex., in place of L. F. Grissette. Incumbent's commission expired March 28, 1942.

Stella Jarrett, Olden, Tex., in place of Stella Jarrett. Incumbent's commission expired December 23, 1941.

Theodore M. Herring, San Angelo, Tex., in place of T. M. Herring. Incumbent's commission expired April 11, 1942.

Edgar F. Bonorden, Sinton, Tex., in place of E. F. Bonorden. Incumbent's commission expired April 11, 1942.

Marcus E. Cannon, Thornton, Tex., in place of M. E. Cannon. Incumbent's commission expired March 28, 1942.

Walter J. Huff, Trenton, Tex., in place of W. J. Huff. Incumbent's commission expired March 28, 1942.

Samuel M. Peacock, Wickett, Tex., in place of B. A. Wristen, resigned.

VERMONT

David A. Aubin, Vergennes, Vt., in place of W. K. Powers, resigned.

VIRGINIA

R. Milton Crump, Chester, Va., in place of A. T. Organ, deceased.

Ira D. Newcomb, Clarksville, Va., in place of I. D. Newcomb. Incumbent's commission expired April 1, 1942.

Kenneth H. Woody, Crewe, Va., in place of K. H. Woody. Incumbent's commission expired April 12, 1942.

Burley M. Garner, Emporia, Va., in place of B. M. Garner. Incumbent's commission expired April 1, 1942.

James H. Ashby, Exmore, Va., in place of J. H. Ashby. Incumbent's commission expired March 25, 1942.

Alfred C. Darden, Fort Monroe, Va., in place of A. C. Darden. Incumbent's commission expired April 1, 1942.

E. Keith Taylor, Hanover, Va., in place of L. L. Jacobs, deceased.

Margaret H. Hardy, McKenney, Va., in place of M. H. Hardy. Incumbent's commission expired April 1, 1942.

Joseph W. Harvey, Montrose, Va., in place of J. W. Harvey. Incumbent's commission expired March 25, 1942.

Leslie N. Ligon, Pamplin, Va., in place of L. N. Ligon. Incumbent's commission expired April 1, 1942.

John P. Mugler, Phoebus, Va., in place of J. P. Mugler. Incumbent's commission expired March 25, 1942.

James V. Lewis, Prospect, Va., in place of J. V. Lewis. Incumbent's commission expired April 1, 1942.

Joseph F. Judkins, Surry, Va., in place of J. F. Judkins. Incumbent's commission expired April 1, 1942.

Jesse F. West, Jr., Waverly, Va., in place of J. F. West, Jr. Incumbent's commission expired April 1, 1942.

R. Tyler Bland, West Point, Va., in place of R. T. Bland. Incumbent's commission expired April 12, 1942.

WASHINGTON

Mable R. Clothier, Burien, Wash., in place of M. R. Clothier. Incumbent's commission expired December 1, 1941.

Orris E. Marine, Colton, Wash., in place of O. E. Marine. Incumbent's commission expired April 1, 1942.

Adrian C. Gehres, Connell, Wash., in place of A. C. Gehres. Incumbent's commission expired April 1, 1942.

Mary E. Brown, Sequim, Wash., in place of M. E. Brown. Incumbent's commission expired March 25, 1942.

George P. Fishburne, Tacoma, Wash., in place of G. P. Fishburne. Incumbent's commission expired April 1, 1942.

Grover C. Houtchens, Waitsburg, Wash., in place of G. C. Houtchens. Incumbent's commission expired March 25, 1942.

Joshua E. Leander, White Bluffs, Wash., in place of J. E. Leander. Incumbent's commission expired March 25, 1942.

WEST VIRGINIA

Warren H. Miller, Spencer, W. Va., in place of L. A. Douglas, deceased.

Myrtle W. Orndorff, Wardensville, W. Va., in place of M. W. Orndorff. Incumbent's commission expired December 15, 1941.

WISCONSIN

Charles N. Cody, Antigo, Wis., in place of C. N. Cody. Incumbent's commission expired April 12, 1942.

Joseph O. Goff, Bristol, Wis., in place of J. O. Goff. Incumbent's commission expired April 26, 1942.

Ted Cole, Cashton, Wis., in place of Ted Cole. Incumbent's commission expired April 12, 1942.

Frank N. Scherer, Kohler, Wis., in place of F. N. Scherer. Incumbent's commission expired April 26, 1942.

Hilary T. Karis, Norwalk, Wis., in place of H. T. Karis. Incumbent's commission expired April 26, 1942.

Clifford T. Peterson, Poplar, Wis. Office became Presidential July 1, 1941.

Charles F. Heald, Sheboygan Falls, Wis., in place of C. F. Heald. April 12, 1942.

Howard F. Vande Hei, West De Pere, Wis., in place of H. F. Vande Hei. Incumbent's commission expired February 2, 1942.

CONFIRMATIONS

Executive nominations confirmed by the Senate May 15, 1942:

UNITED STATES PUBLIC HEALTH SERVICE

TO BE MEDICAL DIRECTORS IN THE UNITED STATES
PUBLIC HEALTH SERVICE

John D. Reichard

Vance B. Murray

TO BE SENIOR SURGEONS IN THE UNITED STATES
PUBLIC HEALTH SERVICE

Winfield K. Sharp, Jr.

Fred T. Foard

Ralph L. Lawrence

POSTMASTER

Roy L. Nolen, Montgomery, Ala.

SENATE

MONDAY, MAY 18, 1942

(Legislative day of Friday, May 15, 1942)

Rev. Frederick Brown Harris, D. D., minister, Foundry Methodist Church, Washington, D. C., offered the following prayer:

Our Father God, Thy life is the breath of our being; Thy love is the light of our homes; Thy righteousness alone is the glory of our Nation: Thou hast taught us to love truth and beauty and goodness. May Thy truth make us free—free from pettiness and prejudice and pride and from the ugly sins that doth so easily beset us. Lift us above the mud and scum of mere things to the beauty of Thy holiness, where even daily drudgery may be edged with crimson and gold. Lead us in the paths of righteousness for Thy name's sake.

Enrich us with those durable satisfactions of life so that the multiplying years may not find us bankrupt in those things that matter most—the golden currency of faith and hope and love. In these

times that try our souls, our faith, our loyalty, as we gird the might of the Nation to defend the things we hold nearest our hearts, may we take care to strengthen the spiritual roots of our democracy. Give us eyes to see that all the values we have solemnly vowed to preserve at any cost are rooted in the eternal realm. So in a torn and troubled day may we toil in these fields of time in the sense of the Eternal. In the name that is above every name we ask it. Amen.

THE JOURNAL

On request of Mr. BARKLEY, and by unanimous consent, the reading of the Journal of the proceedings of the calendar day Friday, May 15, 1942, was dispensed with, and the Journal was approved.

MESSAGES FROM THE PRESIDENT— APPROVAL OF A BILL

Messages in writing from the President of the United States were communicated to the Senate by Mr. Miller, one of his secretaries, who also announced that on May 16, 1942, the President had approved and signed the act (S. 210) to amend the Interstate Commerce Act, as amended, to provide for the regulation of freight forwarders.

AMENDMENT OF NATIONAL SERVICE LIFE INSURANCE ACT

The VICE PRESIDENT laid before the Senate a letter from the Administrator of Veterans' Affairs, transmitting a draft of proposed legislation to amend subsection (3) of section 602 (d) of the National Service Life Insurance Act, as amended, and for other purposes, which, with the accompanying paper, was referred to the Committee on Military Affairs.

PETITIONS AND MEMORIALS

Petitions, etc., were laid before the Senate or presented and referred as indicated:

By the VICE PRESIDENT:

Petitions of sundry citizens of the States of Alabama, Iowa, and New York, praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

By Mr. CAPPER:

A petition, numerous signed, of members of Trinity Methodist Church, of Iola, Kans., praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

By Mr. PEPPER (for Mr. DOWNEY):

Petitions signed by 89 citizens of Stanislaus County, and 45 members of the Emmanuel Bible class, First Methodist Church, of Oakland, all in the State of California, praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

By Mr. TYDINGS:

Petitions of sundry citizens of the State of Maryland, praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

By Mr. WAGNER:

A resolution adopted by the Board of Supervisors of Broome County, N. Y., favoring the use of a portion of excess grain now in storage for the making of alcohol for war industries in place of sugar needed for human consumption; to the Committee on Agriculture and Forestry.

Petitions, numerous signed, of sundry citizens and members of religious organizations, all in the State of New York, praying for the enactment of the bill (S. 860) to provide for the common defense in relation to the sale of alcoholic liquors to the members of the land and naval forces of the United States and to provide for the suppression of vice in the vicinity of military camps and naval establishments; ordered to lie on the table.

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. McCARRAN, from the Committee on Appropriations:

H. R. 6599. A bill making appropriations for the Department of State, the Department of Justice, the Department of Commerce, and the Federal Judiciary, for the fiscal year ending June 30, 1943, and for other purposes; with amendments (Rept. No. 1347).

By Mr. GREEN, from the Committee on Privileges and Elections:

S. 2471. A bill to amend the act entitled "An act to prevent pernicious political activities," approved August 2, 1939, as amended, with respect to its application to officers and employees of educational, religious, eleemosynary, philanthropic, and cultural institutions, establishments, and agencies, commonly known as the Hatch Act; without amendment (Rept. No. 1348).

By Mr. HOLMAN, from the Committee on Military Affairs:

S. 2310. A bill for the relief of Roy Chandler; without amendment (Rept. No. 1349).

By Mr. REYNOLDS, from the Committee on Military Affairs:

S. 2437. A bill to amend section 9 of the act of August 18, 1941 (Public, No. 213, 77th Cong.), by striking out the proviso thereto which requires a monthly report by the Secretary of War to the Congress of the number of men in active training and service; without amendment (Rept. No. 1350);

S. 2488. A bill to authorize the exchange of lands in the city of Philadelphia, Pa., between the War Department and the city of Philadelphia, trustee under the will of Stephen Girard, deceased; without amendment (Rept. No. 1351); and

H. R. 6979. A bill to authorize an increase of the number of cadets at the United States Military Academy and to provide for maintaining the corps of cadets at authorized strength; with an amendment (Rept. No. 1352).

BILLS INTRODUCED

Bills were introduced, read the first time, and, by unanimous consent, the second time, and referred as follows:

By Mr. BROOKS:

S. 2530. A bill for the relief of Howard M. Sandus; to the Committee on Claims.

By Mr. MEAD:

S. 2531. A bill for the relief of Lenora B. Morris; to the Committee on Claims.

By Mr. OVERTON:

S. 2532. A bill for the relief of John Wilkes Booth 2d; to the Committee on Claims.

By Mr. LANGER:

S. 2533. A bill to provide for the temporary use by the United States Navy of the Indian school at Wahpeton, N. Dak.; to the Committee on Indian Affairs.

By Mr. LEE:

S. 2534. A bill to authorize the purchase of certain interests in lands and mineral deposits by the United States from the Choctaw and Chickasaw Nations of Indians; to the Committee on Indian Affairs.

By Mr. VAN NUYS:

S. 2535. A bill relating to the payment of fees, expenses, and costs of witnesses and jurors and the accounting therefor, and for other purposes; to the Committee on the Judiciary.

By Mr. McNARY:

S. 2536. A bill for the relief of Harriet B. Rickards; to the Committee on Claims.

By Mr. BARKLEY:

S. 2537. A bill for the relief of Thelma Cannon McGroary; to the Committee on Claims.

By Mr. MEAD:

S. 2538. A bill to amend the act entitled "An act extending the classified civil service to include postmasters of the first, second, and third classes, and for other purposes," approved June 25, 1938, as amended; to the Committee on Civil Service.

By Mr. REYNOLDS:

S. 2539. A bill to amend the act entitled "An act authorizing vessels of Canadian registry to transport iron ore on the Great Lakes during 1942," approved January 27, 1942 (Public Law 416, 77th Cong.), to continue it in force during the existing war; to the Committee on Commerce.

By Mr. PEPPER (for himself and Mr. DOWNEY):

S. 2540. A bill authorizing and directing the Reconstruction Finance Corporation to create a subsidiary corporation to be known as the War Distress Finance Corporation, to deal with cases of business distress and financial hardship attributable to the war and causes related thereto, and for other purposes; to the Committee on Banking and Currency.

APPLICATION OF CIVIL SERVICE LAWS TO ASSISTANT OR DEPUTY HEADS OF CERTAIN INTERIOR DEPARTMENT BUREAUS—AMENDMENT RELATING TO CERTAIN POSTMASTERS

Mr. MEAD submitted an amendment intended to be proposed by him to the bill (H. R. 3488) to provide that assistant or deputy heads of certain bureaus in the Department of the Interior shall be appointed under the civil-service laws, and for other purposes, which was referred to the Committee on Civil Service and ordered to be printed.

WOMEN'S NAVAL RESERVE CORPS— AMENDMENT

Mr. WILLIS. Mr. President, I ask unanimous consent to submit an amendment which I intend to propose to the bill (S. 2527) to expedite the war effort by releasing officers and men for duty at sea and their replacement by women in the shore establishment of the Navy, and for other purposes. On March 19, 1942, I introduced a bill (S. 2388) to establish a Women's Auxiliary Reserve in the Navy, and for other purposes. This bill was referred to the Committee on Naval Affairs and by that committee referred to the Navy Department for recommendation and approval. On April 16, 1942, the Navy Department reported that it recommended enactment of Senate bill 2388, and advised there would be no objection by the Bureau of the Budget to the submission of its recommendation.

After the introduction of Senate bill 2388, I received numerous requests from interested persons that the name "Women's Auxiliary Reserve in the Navy," be changed to "United States Navy Women's Reserve Corps" in order to avoid conflict with the name "Coast Guard Auxiliary," which had been in existence as a department of Reserve since February 19, 1941. Among these requests was one from Vice Admiral R. R. Waesche, Commandant, United States Coast Guard, which I desire to have inserted in the RECORD at this point. It sets forth the reason for the change.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

APRIL 18, 1942.

HON. RAYMOND E. WILLIS,
United States Senate,
Washington, D. C.

MY DEAR SENATOR: There are appended hereto a copy of letter dated April 17, 1942, from Mr. Elliott M. Feinberg, 230 West Forty-first Street, New York, N. Y., together with copy of my reply to him, in which concern is felt over the introduction of the word "auxiliary" in the naming of the Navy women's reserve organization.

The membership of the Coast Guard Auxiliary is composed almost solely of men who are owners of motorboats and yachts, the pertinent law establishing the Coast Guard Auxiliary and prescribing its duties being appended hereto for your ready reference.

I can very easily appreciate the concern of the membership of the Coast Guard Auxiliary that the public might regard it as a women's organization through the use of the word "auxiliary" in the proposed naming of the women's reserve organizations of the Army and Navy. One of the suggestions received at this office, and which would seem to take care of the situation, would be the naming of the organization as "United States Navy Women's Reserve Corps."

Very sincerely yours,

R. R. WAESCHE,
Vice Admiral, United States
Coast Guard, Commandant.

Mr. WILLIS. Mr. President, in order to meet certain objections to Senate bill 2527, I ask that the letter I have presented, together with the amendment intended to be proposed by me, be referred to the Committee on Naval Affairs for consideration. I also ask that the amendment may be printed and printed in the RECORD.

The VICE PRESIDENT. Without objection, the amendment of the Senator from Indiana will be received, printed, and printed in the RECORD, and, together with the letter, will be referred to the Committee on Naval Affairs.

The amendment submitted by Mr. WILLIS was referred to the Committee on Naval Affairs, as follows:

Amendment intended to be proposed by Mr. WILLIS to the bill (S. 2527) to expedite the war effort by releasing officers and men for duty at sea and their replacement by women in the shore establishment of the Navy, and for other purposes, viz: On page 1, to strike out line 6 and insert in lieu thereof the following:

"Title V United States Navy Women's Reserve Corps"

Strike out the words "Women's Auxiliary Reserve" "Auxiliary Reserve", and "Reserve" wherever they appear in said bill and insert in lieu thereof the words "Women's Reserve Corps."

ADDITIONAL CLERK, COMMITTEE ON EDUCATION AND LABOR

Mr. WALSH (for Mr. THOMAS of Utah) submitted the following resolution (S. Res. 251), which was referred to the Committee to Audit and Control the Contingent Expenses of the Senate:

Resolved, That the Committee on Education and Labor is hereby authorized to employ, during the fiscal year beginning July 1, 1942, an additional clerk at the rate of \$1,800 per annum from the contingent fund of the Senate.

HELP WIN THE WAR—ADDRESS BY SENATOR LEE

[Mr. LEE asked and obtained leave to have printed in the Appendix of the RECORD a radio address delivered by him on May 14, 1942, on the subject Help Win the War, which appears in the Appendix.]

ADDRESS BY SENATOR LUCAS TO JEWISH WAR VETERANS

[Mr. BROWN asked and obtained leave to have printed in the RECORD an address delivered by Senator Lucas to the Jewish War Veterans, New York City, May 17, 1942, which appears in the Appendix.]

ADDRESS BY SENATOR WILEY ON THE NATION AT WAR

[Mr. WILEY asked and obtained leave to have printed in the Appendix of the RECORD an address delivered by him at the Seventh District American Legion Conference at Adams, Wis., May 3, 1942, on the subject The Nation at War, which appears in the Appendix.]

ALCOHOL AND BUTADIENE—ADDRESS BY SENATOR LANGER

[Mr. LANGER asked and obtained leave to have printed in the RECORD an address prepared to be delivered by him on the subject of alcohol and butadiene, which appears in the Appendix.]

TRIBUTE BY THE LATE DR. ZEBARNEY T. PHILLIPS TO PERCY E. BUDLONG

[Mr. BARKLEY asked and obtained leave to have printed in the Appendix of the RECORD the last public utterance of Dr. Zebarny T. Phillips, late Chaplain of the Senate, in tribute to the late Official Reporter of debates of the Senate, Percy E. Budlong, which appears in the Appendix.]

WOOL-PRODUCTS LABELING ACT—STATEMENT BY HENRY MILLER

[Mr. SCHWARTZ asked and obtained leave to have printed in the Appendix of the RECORD a statement made over the radio by Henry Miller, Director, Trade Practice Conferences Division, Federal Trade Commission, on the subject of the new wool-products labeling act, which appears in the Appendix.]

CONTROL OF LIQUOR TRAFFIC AND SUPPRESSION OF VICE AROUND MILITARY CAMPS—OPEN LETTER TO PRESIDENT ROOSEVELT

[Mr. JOHNSON of Colorado asked and obtained leave to have printed in the RECORD an open letter to President Roosevelt, relative to the control of liquor traffic and suppression of vice around military camps, which appears in the Appendix.]

MORE WEST POINTS AND ANNAPOLISES—EDITORIAL FROM WASHINGTON TIMES-HERALD

[Mr. BILBO asked and obtained leave to have printed in the RECORD an editorial from the Washington Times-Herald of May 18, 1942, entitled "More West Points and Annapolises," which appears in the Appendix.]

THE RELEASE OF BROWDER—EDITORIAL FROM THE NEW YORK TIMES

[Mr. HOLMAN asked and obtained leave to have printed in the RECORD an editorial from the New York Times of May 18, 1942, entitled "The Release of Browder," which appears in the Appendix.]

THE REYNOLDS METALS CO.

Mr. HILL. Mr. President, 2 years ago today an old friend, Hon. Marion M. Caskie, former Chairman of the Interstate Commerce Commission, then vice president of the Reynolds Metals Co., brought to my office the president of his company, Mr. R. S. Reynolds. It was my first meeting with Mr. Reynolds, but with great earnestness he asked me to make a few notations. In the light of subsequent history I wish to repeat them to the Senate and to the country. Mr. Reynolds said:

First. This is a light-metals war and will be won or lost in the air. France, England, and America have ignored for 5 years the sensational increase in production of aluminum and magnesium metals by Germany and her allies. As a consequence of this tragic failure, France is now doomed. Unless we quickly awake to the peril of this new type of aerial warfare, England will fall, and America will follow.

Second. This is a mechanized war. Here in America we hold in our hands the salvation of the world. Here, and here alone, exist the trained manpower, the machines, and the genius that has made this the greatest mechanized nation on earth. The Government, with full protection to labor and owners, must take over immediately this magic army of mass production and convert it quickly to the manufacture of airplanes and tanks. If we act quickly, we shall save millions of lives and billions of dollars.

So spoke Mr. Reynolds 2 years ago this day. Rebuffed by some who should have given him unstinted support, Mr. Reynolds set an example which he hoped others might follow.

Mr. TRUMAN. Mr. President—

Mr. HILL. I yield to the Senator from Missouri.

Mr. TRUMAN. I can testify from evidence before the committee, of which I have the honor to be chairman, that Mr. Reynolds risked all he had in order to help the country obtain the necessary aluminum supplies for the construction of planes, tanks, and guns. Mr. Reynolds is a patriotic citizen. He risked everything he had. He was dependent absolutely on the Aluminum Co. of America for his supplies of aluminum for his own business, and he took the chance of losing everything he had.

Mr. HILL. In other words, his private business without the supply of aluminum from the Aluminum Co. of America would have absolutely passed out.

Mr. TRUMAN. It would have passed out, and he risked his private business and mortgaged it in order to make aluminum for the benefit and welfare of the country as a whole.

Mr. HILL. I wish to thank the Senator from Missouri for his words. He is familiar with the record before his committee, and has given the facts as they are. As he has stated, the Reynolds Metals Co. mortgaged every private plant they had to the R. F. C. in 1940 in order that they might go into the aluminum

business. They asked for no Government subsidy; they asked for no favor at all; but, instead, for a loan of money for which, as I have said, they gave a mortgage on every plant they had.

The Reynolds Metals Co. mortgaged 20 large factories for an R. F. C. loan in June 1940. In record time 5 mammoth aluminum-reduction plants were built—2 in Alabama and 3 in the State of Washington. These plants are producing today at the rate almost of 100,000,000 pounds per annum. Late this year this company's production should reach a total of 160,000,000 pounds of virgin aluminum. This is about as much aluminum as the combined production of France and England and almost half as much as the Aluminum Co. of America produced as late as 1939. All of this metal and more is being fabricated by Reynolds into wrought aluminum sheet, rod, and extruded shapes for airplanes and ships in its expanded fabricating facilities and in defense plants it is operating for similar production.

At the time of Pearl Harbor, Reynolds Metals Co. was ready for the challenge, and since that momentous date has furnished to our country and the United Nations approximately 40,000,000 pounds of fabricated aluminum which, translated into fighter planes, represents 5,000 of them.

One year later, in May 1941, Mr. Reynolds, after having built the great aluminum production plants in the States of Alabama and Washington, and after being engaged in actual production, still not satisfied that there would be enough aluminum to meet the impending war requirements, addressed a letter to the Office of Production Management in which he stated that, although he had done what he could at the time, he felt that our production of aluminum would not be sufficient to win the war and, in order to meet the emergency, urged the Office of Production Management to go further and convert the automobile industry and other industries into the production of aluminum and into the production of aircraft.

I ask unanimous consent to have the letter set out in full in the RECORD.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

In view of the turn in world affairs, I have once again become alarmed. I am alarmed because of the position in which the United States may soon find itself in this hungry and war-mad world. I am alarmed as a member of the aluminum industry at the magnitude of the responsibility we must face immediately. With these thoughts in mind, I am led to submit the following suggestions:

First. We should plan immediately to double the present production of aluminum and multiply by 10 our present production of magnesium. This is the absolute minimum if we hope to preserve our independence and way of life.

Second. The greatest weakness, as I view it, in the production of aluminum is that there are today only two large and one small alumina plants in the United States—one at Mobile, one at St. Louis, and our small plant at Listerhill, Ala. (producing its first alumina this week). If the large alumina plant at Mobile should be closed by strike, accident,

or sabotage, it would wreck all of your calculations on aluminum. I feel constrained to urge again, at this time, that the Government itself finance at least 10 "stand-by" alumina plants, at different locations well within the safety zone. (This, in addition to any increase in regular production.) These plants should be equipped with stocks of bauxite and be ready for operation should the emergency arise.

Third. It is my firm conviction that production of light metals (aluminum and magnesium) can be expanded as fast as the aviation, automotive, and other direct contractors can expand. Of course, the metal manufacturers should have the same length of time to meet expansion programs as the defense contractors.

Fourth. The peace of the world, in my opinion, can only be secured and maintained by America making war so horrible that no country or man will ever again take up arms. We have the will, we have the production capacity, and I feel that America only awaits the command of our President.

Mr. HILL. Following this eloquent appeal of Mr. Reynolds, the Office of Production Management within a few weeks announced that the Government would build plants to produce an additional 600,000,000 pounds of aluminum per annum, and this has been more recently followed by even further increases.

The record of the Reynolds Metals Co. stands distinct and alone, because this company was the first to realize that enormously increased quantities of aluminum metal would be absolutely vital if victory is to be won. Without waiting for firm orders, cash down payments, or Government protection, the company mortgaged all its peacetime factories to increase the supply of aluminum at the very time America was being lulled to sleep as France had been lulled to sleep—lulled by assurance of those in authority—and by statements and press notices that America's supply of aluminum would be ample for defense as well as for civilian requirements.

In the light of what has happened since May 1940 I want my colleagues and the Nation to know that Reynolds Metals Co. is the only company in the United Nations that dared to enter, on its own resources, the hazardous business of producing aluminum metal from bauxite. This company now has 30 plants, located in 13 States, with 16,000 employees, and has never had a strike. I am proud of the fact that its largest plant is located in Alabama. I hope my colleagues may have the pleasure of visiting this mammoth plant, and seeing it in continuous operation. The plant is unique, for in all the world it is the only one where raw bauxite goes in at one end and comes out at the other end finished wrought aluminum sheet for airplanes.

I am sure the Congress and a grateful Nation will long remember its one and only aluminum volunteer—the Reynolds Metals Co.

Mr. MEAD. Mr. President, will the Senator yield?

Mr. HILL. I yield.

Mr. MEAD. As a member of the Truman committee, I am quite familiar with the subject which has been so well discussed on the Senate floor this morning by my distinguished colleague, the Senator from Alabama. I wish publicly to

commend Mr. Reynolds for his foresight and leadership, as well as for the splendid contribution he made to the well-being of our country. When officials of the O. P. M., high officials in the Government, and leaders of industry, were telling us that we had all the aluminum we needed with which to meet present and future demands, this man Reynolds was a great power, stating to us, and reiterating with emphasis, that we would be short of aluminum, and needed more aluminum production. Supporting him and his contention, and meriting our whole-hearted commendation, is the distinguished Senator from Alabama, who sustained this pioneer, making a splendid contribution to the story that was well written by the committee headed by the Senator from Missouri [Mr. TRUMAN].

Mr. HILL. I wish to thank the Senator from New York for his kind words as a member of the Truman committee, which investigated thoroughly the aluminum situation. He knows the facts.

Mr. NORRIS. Will the Senator yield?

Mr. HILL. I yield.

Mr. NORRIS. How much time is consumed by the process the Senator has described, the aluminum coming out a finished product? How far does the material have to travel from the raw product to the finished product?

Mr. HILL. Some of the raw product, the bauxite, comes from the State of Alabama, about 200 miles from the plant.

Mr. NORRIS. I do not mean that; I mean, what is the distance traveled in the plant? How far does the material travel before it becomes aluminum?

Mr. HILL. There are really three different processes in the great plant in Alabama. First they make the alumina, then they get the aluminum, then it is converted into sheet aluminum. There are three different processes, and from the time the raw bauxite enters the plant until it comes out covers a period of only 2 weeks.

AMENDMENT OF THE NATIONAL HOUSING ACT—CONFERENCE REPORT

Mr. RADCLIFFE. Mr. President, I submit a conference report, and ask for its immediate consideration.

The VICE PRESIDENT. The conference report will be read.

The conference report was read, as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 6927) to amend the National Housing Act, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 12, 13, 14, 15, 16, 17 and 18; and agree to the same.

That the House recede from its disagreement to the amendment of the Senate numbered 11, and agree to the same with an amendment, as follows: Restore the matter proposed to be stricken out by the Senate amendment, and in lieu of the matter proposed to be inserted by the said amendment insert a colon and the following: "Provided, That such mortgage shall not in any event exceed the amount which the Administrator estimates will be the cost of the completed

physical improvements on the property or project, exclusive of off-site public utilities and streets, and organization and legal expenses"; and the Senate agree to the same.

GEORGE L. RADCLIFFE,
J. H. BANKHEAD,
FRANCIS MALONEY,
JOHN A. DANAHER,
ROBERT A. TAFT,

Managers on the part of the Senate.

HENRY B. STEAGALL,
CLYDE WILLIAMS,
BRENT SPENCE,
JESSE P. WOLCOTT,

Managers on the part of the House.

The VICE PRESIDENT. Is there objection to the present consideration of the conference report?

Mr. McNARY. Mr. President, as I entered the Capitol today I was told by the able Senator from Maryland that he desired to present this conference report. I should like to have him detail what was done in conference, as I know he is capable of doing, so that we may understand the difference between the bill as it passed the Senate and as it is now, as it comes back in the form of a conference report.

Mr. RADCLIFFE. The bill as agreed to by the conferees varies only very slightly from the form in which it passed the Senate. The House conferees receded on some points and the Senate conferees receded on one amendment, which attempted to specify the various kinds of expense and costs which would be considered in connection with the 90 percent basis used in establishing the standard by which loans should be made in connection with the large properties designed for renting, primarily to war workers. There was no special objection on the part of the Senate conferees to receding from language of the Senate on that point, as the Senate provision might be considered as unnecessary on the theory that the subject was covered by general language.

As the Senator from Oregon will recall, the Senate added an amendment providing a cumulative method of finding the bases for loans. The loans which are authorized under the proposed amendment of the act must meet two requirements. One method was specified by the House, and the second was added by the Senate. The one stipulated by the House provided that the loans should not exceed 90 percent of the reasonable cost of reproduction of the property, including the land. The Senate added another requirement which, as I have said, is a cumulative provision. It provided that loans should not exceed 100 percent of the cost of the improvements, specifying that certain items should not be considered as costs of improvements.

The House conferees thought such restrictions were rather rigid, and after some consideration the Senate conferees agreed to modify some of the requirements. For instance, in computing the 100-percent basis of the cost of construction, offside roads and sewers will be excepted, as well as legal expenses and organization expenses. Of course, land would be excepted anyway, because the provision is that the 100 percent shall be based on the cost of the improvements

only. Therefore, in addition to the elimination of cost of land, such items as costs of offside sewers and street improvements, as well as such other items as were incurred by way of legal expenses and organization expenses, could not be included in the total upon which the 100-percent standard is set up.

The VICE PRESIDENT. Is there objection to the consideration of the conference report?

There being no objection, the conference report was considered and agreed to.

ESTABLISHMENT OF CITIZENSHIP AS A PREREQUISITE FOR EMPLOYMENT IN DEFENSE WORK

Mr. BROOKS. Mr. President, recently I had occasion to call the attention of the Senate to the barriers which exist in the employment of men over 45. I referred to the age limits which had been fixed in the various agencies and also to the questionnaires submitted some time ago by the War Department to men who had served as officers in the World War. The purpose of these questionnaires was to obtain satisfactory applicants for administrative employment so that younger men could be released for combat service.

I also referred to the difficulties which these men over 45 are having in obtaining employment. Many companies having war contracts require birth certificates as a prerequisite to employment. As no adequate record exists in many of the States to prove the date of birth of men of this age, they are practically debarred from employment. For instance, in my own State, we had no recognized registration of vital statistics before 1915. Even men who had served in the Army and were given honorable discharges are being denied employment because they do not have birth certificates.

In response to an inquiry from me relative to the treatment of these ex-service men, I received the following advice from the War Department:

This refers to your letter of April 21, 1942, regarding the requirement of birth certificate as a condition of employment.

This is a matter which has been very carefully considered by the Department, and I am pleased to say that within a very short time, a memorandum will be issued to war production plants regarding the use of an approved "declaration of citizenship" form which, when properly signed and witnessed, will serve, for the purpose of employment, as acceptable evidence of citizenship.

The use of this form, I believe, will in large measure solve the difficulty with which numbers of applicants have been faced in regard to securing employment.

Mr. President, it is hoped that the Department will expedite action in the employment of these older men and also in the issuance of this certificate to be regarded as a "declaration of citizenship" for the relief and assistance of this large number of men who have served honorably in our Army and Navy.

I believe also that the Congress should give its attention to the establishment of a Federal system which will remove the embarrassments that confront American citizens in the establishment of their

citizenship and their rights therewith. It is an injustice when men whose forbears came to the United States before the American Revolution or who fought in the American Revolution, and many more who served honorably in the armed service themselves, are denied employment because they are unable to prove birth in this country, which would enable them to obtain the full rights and privileges of citizenship.

MINE EXPLOSION AT OSAGE MINE, MONONGALIA COUNTY, W. VA.

Mr. ROSIER. Mr. President, last Tuesday afternoon, May 12, a mine explosion of undisclosed origin occurred at the Osage Mine of the Christopher Coal Co., in Monongalia County, W. Va., resulting in the instant death of 56 miners who were employed in the mine. This marks another major mine disaster in the coal regions of our State. According to reports, there is no suspicion of sabotage, and the accident occurred in a mine in which had been installed every modern safety appliance. The mine had been thoroughly inspected a few days before the explosion.

In recent years a great deal of scientific study has been given to the cause of mine explosions, but so far no solution of the problem has been found. An explosion in a coal mine is produced by a combination of factors, and this particular combination may not occur in many years. An explosion results when a flame comes into contact with gas which ignites the highly inflammable coal dust. In every mine which liberates gas there are moments when the gas is capable of ignition, and the same is true of dust. The fatal flame is usually a spark made by machinery in loading coal, such as a glancing blow of metal against a piece of slate or stone which becomes mixed with the coal, or it may be a spark from a mine motor, or a carelessly lighted match. As I have said, it is doubtful if the most careful investigators of mine disasters can determine just exactly what causes a mine explosion.

Mr. President, I mention this most recent tragedy because I think the people of our country ought to be reminded of the hazards of labor in one of our most vital industries. Over 100,000 miners in my State go daily to their work in the mines. They are not only subjected to the occasional major disasters, resulting in great loss of life, but individual miners continually lose their lives or are maimed and injured. Coal mining is little less hazardous than participation in active service in our armed forces. It requires the same type of courage for a miner to go miles under the earth as it does for a pilot of a great bomber to carry his machine over hostile territory. In this last disaster 56 men gave up their lives. Many widows and orphans have been left behind. These men are the unsung heroes of our great fight for production. In face of danger our thousands of miners daily produce the coal which fires the steel furnaces of the Nation and makes the wheels go round in our defense plants. As a result of organization and the passage of laws for the control of coal prices, the miners are receiving fair wages. In

view of the great dangers which accompany mining, I do not believe any fair-minded person in our country can justly charge that these men are lacking in patriotism and courage, and surely all of us will agree that the wages received by them are not excessive.

As these 56 men, whose lives were snuffed out in an instant, are carried to their graves, I want to pay a tribute to the mine workers of my own State and of the country. Engaged as they are in the most vital of all productions for our defense program, they go forth every day to face danger in their occupation. They may be truly classed as the soldiers of industry, and no phase of our war effort requires more courage than must be possessed by the miners of our country. Those who do not live in mining sections are probably not conscious of the hazards involved in coal mining. The men who gave up their lives in the Osage mine have passed on to their reward. The industry to which they devoted their labor and energies goes on. In spite of accident and disaster, the men in the mines labor with indefatigable energy. Other groups of workmen no doubt are entitled to great credit for the contribution which they are making to our great program of production, but today I pay my tribute of respect to the men who deliver the coal to our mills and to our defense plants. In the face of grievous loss and bereavement the widows and orphans of these dead miners, thanks to modern laws, will receive compensation that will prevent poverty and distress. No one can restore the loss which the bereaved ones have sustained, but it is a comfort to the State and to us to know that, in the presence of their sad bereavement, their physical wants will be provided for.

May the coal miners who have given their lives in the pursuit of a hazardous occupation rest in peace. They may not enjoy military glory and honor, but they have made a heroic contribution to our fight for victory.

ARMY-NAVY RELIEF FUND BASEBALL GAME

Mr. MEAD. Mr. President, with the desire to be helpful in advancing the cause of Army and Navy relief, I desire to call the attention of the Senate to a baseball game which will be played at Griffith Stadium Saturday next. This game, according to a distinguished athletic authority, Shirley Povich, writing in the Washington Post of May 18, will be played for the benefit of—

The wives and kids of those guys who got shot up at Pearl Harbor. Or maybe daddy was one of the fellows who stuck it out on Bataan, hungry for mule meat, until they ran out of ammunition and the Japs moved in with hot lead and bombs. Or maybe they were the men who were trapped on Wake Island or Midway without much of a chance to fight back.

That is what this game will be played for.

Mr. President, the sponsors of the game are hoping to sell 50,000 tickets to the ball game. There are not 50,000 seats in the park, but only 32,000. It is not necessary for all those who buy tickets to go to the

game. We can buy the tickets with the realization that the contribution will be to good cause. As an example, in Brooklyn 6,000 more tickets were sold for such a ball game than there were seats in the park, and a fine example has thus been set.

The same sort of ball game is being staged in every big city, and in every city in the United States where baseball is played. The United States capital has a big stake in this cause. Anything less than a complete sell-out will be, as Mr. Povich wrote, "tough to take." In Australia, in Honolulu, in Ireland, in Iceland, and aboard ships of war men will be happier because we buy these tickets.

Mr. President, in this connection, and in testimony of our appreciation for what baseball is doing in advancing the cause of Army and Navy relief, I ask unanimous consent to have inserted in the RECORD an editorial published in the Sporting News of May 14, 1942, entitled "MacPhail and Brooklyn Again Show the Way."

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Sporting News of May 14, 1942]

MAC PHAIL AND BROOKLYN AGAIN SHOW THE WAY

Once more, Larry MacPhail and the Brooklyn club have shown the way for organized ball. Selling more than 42,000 tickets and packing Ebbets Field to capacity, and collecting almost \$59,000 for the greatest financial return yet realized from 1 day of league competition at Ebbets Field, MacPhail and the Dodgers did an amazing job in the first of the Army-Navy Relief Fund games to be played in all of our major league parks this summer.

The first benefice MacPhail achieved for baseball and for the service fund was to set aside one of the most opulent games of the season for the war cause. He played the Giants, the biggest attraction in Flatbush, year in and year out. He could have tossed to the fund a contest with the Phils and forced the entire burden of the benefit on the shoulders of the fans. But MacPhail set out to break records. So he gave the Navy fund a game with the Giants, set about promoting the event and the day with his characteristic showmanship, and packed the park to suffocation.

It was Navy Day in Brooklyn by official mandate. It was a parade day, a holiday, a tremendous show downtown, a vast spectacle and a grand game at Ebbets Field. The Giants were beaten, 7 to 6, but they had the tying run on second when Hugh Casey retired the last man.

Not to be outdone in generosity by MacPhail, Horace Stoneham of the Giants has scheduled the Dodgers for his Army fund benefit at the Polo Grounds in August. Thus, two clubs within the city limits of New York have set an example for the entire country.

The tremendous success of the Brooklyn benefit redounded to the credit of baseball, which proved again that it was doing its part in the war effort. To thousands of persons who yet had remained doubters, the game demonstrated in this way it had a right to live; that it was justifying its existence in a time of national stress and world hostilities.

For all the other clubs in the majors, the 42,000 fans paying almost \$59,000 at Ebbets Field set a standard which will excite the utmost efforts toward emulation.

To all the other clubs, MacPhail proved that showmanship could achieve incredible results. He did not merely announce that the Dodgers would play the Giants for the relief fund. He did not challenge the in-

terest of the fans. He excited it so sharply that nobody wanted to miss that day game. It is up to all the other club presidents to organize a similar furor over their fund games.

The Brooklyn benefit was played at 4:45 p. m.—the first real twilight game scheduled in the majors. With night ball likely to go by the board in New York City for the duration of the war, the marvelous reaction to the game in the gloaming hints that at least in Brooklyn the 14 contests slated for the arcs may be shifted to 4:45 starting time.

MacPhail, first to give night ball its place in the majors; pioneer of twilight ball, trail blazer in the game's war effort—truly Larry is an empire builder of the diamond.

GASOLINE RATIONING

Mr. CAPPER. Mr. President, I ask unanimous consent to have printed in the RECORD as a part of my remarks a recent editorial published in the Kansas City Times, warning against extending gasoline rationing to parts of the Nation where there actually are surplus supplies of gasoline. The editorial points out that such rationing is more likely to slow down the war effort than to speed it.

The editorial, I think very properly, asks:

Why, then, extend rationing to the Middle West, where not only there is no need for it but where such rationing actually would seem to be contrary to the national policy?

Arguments in favor of gasoline rationing in the Middle West, the Kansas City Times maintains, are flimsy. Tire rationing is already conserving rubber.

Another argument is the statement by a minor Government official that the "Nation must learn discipline." That is poppycock, says the Kansas City Times.

Mr. President, there are entirely too many stories going the round about gasoline rationing. The whole proposition has received more heat than light from the multiplicity of conflicting statements. There is even doubt whether such drastic gasoline rationing as now is in effect in the Eastern States would be necessary if available transportation facilities were being intelligently utilized. It seems to many of those more or less familiar with the oil industry that pipe-line facilities are available to carry oil and gasoline at least as far east as Chicago and St. Louis. Why not then use railroad tank cars from these points to the east coast only, instead of using tank cars for transportation from points a thousand miles west of Chicago and St. Louis, as I am informed is being done?

I am in favor, and I believe all Americans are in favor, of every necessary sacrifice to win this war; but I fail to see the sense in "sacrifice for the sake of sacrifice," as suggested by those who would impose rigid and drastic gasoline restrictions in territory where there are surplus supplies of gasoline. It seems to me there should be a better and more concrete case made for Nation-wide gasoline rationing before it is put into effect.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

[From the Kansas City Times of May 11, 1942]

WHY RATION GAS HERE?

Now comes the threat to extend the gasoline rationing order beyond the Atlantic seaboard to the Middle West.

Obviously the release of information that the War Production Board has such a proposal under consideration is a "feeler" to find what the reactions of the Midwest will be. If so, the reactions should be prompt and outspoken, for if ever a Government scheme was without logic or valid reason, this is it.

The occasion for gasoline rationing on the Atlantic seaboard is understood by the Nation, although there may still be some doubt that the conditions are as serious as have been implied. For example, the last issue of the Oil and Gas Journal states that, even if all tanker deliveries to the east coast are stopped, the supply of gasoline for motorists will average 5.5 gallons per car per week for the next 5 months.

Remember that tanker deliveries have not increased—at present tankers are delivering an average of more than 500,000 barrels of petroleum products a day. Even so, there is a conceivable emergency. Ultimate contingencies should be provided for. Since essential users should get more than nonessential users the present proposal of limiting gasoline to less than 3 gallons a week per user is probably in the line of safety and judgment.

But the shortage in the East, as understood by the entire Nation, is due to a local condition of transportation. There is no national shortage of gasoline supply. There is no shortage of national gasoline manufacturing facilities. There is no shortage of petroleum production.

Why, then, extend rationing to the Middle West where not only there is no need for it, but where such rationing actually would seem to be contrary to the national policy?

Arguments in favor of such a drastic rationing are flimsy. One is that "rubber should be conserved in the Middle West." It already has been conserved up to the limit, by tire rationing. Another is a minor Government official's statement that the "Nation must learn discipline." That is poppycock. The Nation has learned discipline, and is ready to do every sensible thing to further the war.

As a matter of fact, gasoline rationing over the country may be actually damaging to the war effort. Already some refineries are reported closing down because they cannot market their surplus gasoline. We have been at war now for 5 months. Yet today our gasoline supply is greater than it was a year ago. The first week of May 1941 showed supplies of gasoline totaling 96,000,000 barrels. The supplies in the first week of May 1942 totaled 101,000,000 barrels in spite of all withdrawals for the war machine.

Further rationing will inevitably close more refineries, and the making of high-octane gasoline for airplanes is dependent on the refinery processes. The Nation can ill afford to curtail its manufacturing facilities for this needful war fuel at this time. Yet that will be the inevitable effect of Nation-wide rationing.

Americans will do anything to win the war but they don't enjoy being pushed around by bureaucrats. Washington had better think up some real reason before attempting to extend gasoline rationing to parts of the country where no shortage exists.

MESSAGE FROM THE HOUSE

A message from the House of Representatives, by Mr. Swanson, one of its clerks, communicated to the Senate the intelligence of the death of Hon. PATRICK J. BOLAND, late a Representative from the State of Pennsylvania, and transmitted the resolutions of the House thereon.

CALL OF THE ROLL

Mr. HILL. I suggest the absence of a quorum.

The VICE PRESIDENT. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	George	Norris
Andrews	Gerry	Nye
Austin	Gillette	O'Daniel
Bailey	Glass	O'Mahoney
Ball	Gurney	Overton
Bankhead	Hatch	Radcliffe
Barkley	Hayden	Rosier
Billbo	Hill	Russell
Bone	Holman	Schwartz
Brewster	Hughes	Smith
Brooks	Johnson, Calif.	Spencer
Brown	Kilgore	Stewart
Bulow	La Follette	Taft
Bunker	Langer	Thomas, Okla.
Butler	Lee	Truman
Byrd	Lucas	Tunnell
Capper	McCarran	Vandenberg
Caraway	McFarland	Wagner
Chavez	McKellar	Walsh
Clark, Mo.	McNary	Wheeler
Connally	Maybank	White
Danaher	Mead	Wiley
Doxey	Millikin	Willis
Ellender	Murdoch	

Mr. HILL. I announce that the Senator from Kentucky [Mr. CHANDLER], the Senator from Idaho [Mr. CLARK], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Iowa [Mr. HERRING], the Senator from Connecticut [Mr. MALONEY], the Senator from Montana [Mr. MURRAY], the Senator from North Carolina [Mr. REYNOLDS], the Senator from New Jersey [Mr. SMATHERS], the Senator from Utah [Mr. THOMAS], the Senator from Maryland [Mr. TYDINGS], the Senator from Indiana [Mr. VAN NUYS], and the Senator from Washington [Mr. WALLGREN] are necessarily absent from the Senate.

The Senator from California [Mr. DOWNEY] is detained on official business.

The Senator from Colorado [Mr. JOHNSON] is detained on business in one of the Government departments.

The Senator from Florida [Mr. PEPPER] is absent attending a conference at the White House.

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] is absent because of illness.

The Senator from New Hampshire [Mr. BRIDGES] is absent as a result of an injury and illness.

The Senator from Massachusetts [Mr. LODGE], the Senator from Kansas [Mr. REED], the Senator from Idaho [Mr. THOMAS], the Senator from Ohio [Mr. BURTON], and the Senator from Minnesota [Mr. SHIPSTEAD] are necessarily absent.

The Senator from Pennsylvania [Mr. DAVIS] is absent on official business.

The VICE PRESIDENT. Seventy-one Senators have answered to their names. A quorum is present.

AGRICULTURE DEPARTMENT APPROPRIATIONS

The Senate resumed consideration of the bill (H. R. 6709) making appropriations for the Department of Agriculture for the fiscal year ending June 30, 1943, and for other purposes.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Virginia [Mr. BYRD] to reconsider the vote by which the committee amendment, on page 102, lines 18 to 24, was agreed to.

Mr. BYRD. Mr. President, late in the afternoon of last Friday, in the absence

of the Senator from Virginia from the Chamber, a committee amendment was agreed to relating to the traveling expenses of the Department of Agriculture. I appeal to the Senate to reconsider that action so that the Senator from Virginia may have the privilege of offering an amendment to the committee amendment, making a greater reduction in the traveling expenses of the Department of Agriculture than was made by the Senate Appropriations Committee.

The Senator from Virginia remained in the Chamber during the entire session on Friday, without any lunch. He was unexpectedly called from the Chamber on a very important official matter. He was absent from the Chamber for only 5 or 10 minutes, and during that time the committee amendment was agreed to. I hope, as a matter of senatorial courtesy, the Senate will reconsider that action and permit the Senator from Virginia to offer an amendment to the committee amendment.

The House reduced the traveling expenses of the Department of Agriculture by 50 percent. Last year such expenses were more than \$16,000,000. The Senate Appropriations Committee struck out the House reduction of 50 percent, and made a reduction of less than 10 percent—a reduction of \$1,500,000 out of \$16,000,000. All the Senator from Virginia is asking is reconsideration of the committee amendment. If the Senator from Virginia had not been present in Washington and had not attended the session of the Senate on Friday, he would perhaps not make this request.

Mr. RUSSELL. Mr. President, this matter must be voted upon one way or the other. I have no objection to the amendment being reconsidered.

The VICE PRESIDENT. The question is on agreeing to the motion of the Senator from Virginia [Mr. BYRD].

The motion was agreed to.

Mr. BYRD. Mr. President, I offer an amendment to the committee amendment, which I send to the desk and ask to have stated.

The VICE PRESIDENT. The amendment to the amendment will be stated.

The CHIEF CLERK. On page 102, line 21, in the committee amendment, it is proposed to strike out "\$1,500,000" and insert in lieu thereof "\$3,200,000."

Mr. BYRD. Mr. President, the effect of my amendment would be to make a 20-percent reduction in the traveling expenses of the Department of Agriculture. As I have already stated, the House made a 50-percent reduction, reducing such expenses from approximately \$16,000,000 to \$8,000,000. My amendment would make a 20-percent reduction, as a substitute for the reduction of 10 percent recommended by the Senate Appropriations Committee.

Certainly it is possible for many of the branches of the Department of Agriculture materially to reduce their expenses for traveling. The total expense last year was \$16,595,435. I shall read a few of the larger items:

The Office of the Secretary spent \$108,000; the Bureau of Agricultural Economics spent \$665,000; the Bureau of

Animal Industry spent \$756,000; the Bureau of Plant Industry spent \$237,000; the Forest Service spent \$878,000; the Agricultural Marketing Service spent \$473,000; the Soil Conservation Service spent \$1,348,000; the Agricultural Adjustment Administration spent \$1,859,000. I think this was the largest amount spent by any of the nondefense agencies of the Government for traveling expenses. The Surplus Marketing Administration spent \$1,148,000, and the Farm Security Administration spent \$6,607,000 for traveling expenses alone. As I have stated, the total was \$16,595,435.

Mr. President, I think the time has come when some of the overhead costs of the departments in Washington should be reduced. I believe that in the main the Department of Agriculture performs an excellent service for the farmers; but in certain respects I think its overhead expense is out of all proportion to the service rendered. I am speaking of the A. A. A., the Farm Security Administration, and some of the other agencies. I believe that 20 percent could easily be eliminated from the total amount of traveling expenses without any material injury to the agencies of the Department of Agriculture.

This is a time when the citizens of the country, those of us at home, are asked not to travel. We are asked not to use gasoline. We are asked not to deplete the rubber supply; yet, so far as I can observe, if the bill were passed in its present form there would be only a small reduction in the traveling expenses of the Department of Agriculture. There must be some way for the representatives of the various branches of the Department of Agriculture to double up and still get around. Many times one bureau of the Department of Agriculture will send an automobile to a certain place on the same day some other agency sends an automobile to the same place.

I hope the Senate will adopt my amendment, which would mean a reduction of only 20 percent, as compared with the reduction of 50 percent made by the House.

Mr. RUSSELL. Mr. President, I hope Senators have read the language on page 102 of the bill. As I stated on Friday, when this matter was first discussed, the House did not save a single dime by the adoption of its amendment. It merely placed a limitation on the amount which could be expended for travel. It did not reduce the appropriations for the Department of Agriculture by 5 cents. If the Senate should reject the Senate committee amendment and the amendment of the Senator from Virginia, and adopt the House provision, the total amount of the appropriation for the Department of Agriculture would not be reduced in any amount whatever. A limitation would be placed on the amount to be expended for travel.

The House provision was offered as an amendment on the floor of the House by a Member of the House who had offered amendments to reduce, item by item, the travel expense of every agency within the Department of Agriculture. The House rejected the amendments to reduce the specific appropriations, and then, on the last day of the debate,

adopted the over-all amendment, which does not affect any economy whatever, but merely places a limitation on the amount which may be expended for travel.

The Senate committee very carefully went into the matter of travel expenses for the Department of Agriculture.

Despite the impression that seems to prevail in some quarters, this committee was trying to be just as economical as it was possible to be, and not to propose the appropriation of any more money for the Department of Agriculture for travel purposes than was absolutely essential. We did, however, wish to see any reduction which we made in travel expenses amount to a real saving; and we therefore proposed the amendment which will be found at the bottom of page 102, directing the Secretary of Agriculture to cover into the Treasury as miscellaneous receipts the sum of \$1,500,000. Notice the language which follows that provision—which shall be in addition to reductions in amounts available for traveling expenses resulting from decreases in the appropriations made by this act below the Budget estimates.

In other words, any reductions below the Budget estimates which were made by the committee and on the floor in appropriations which were set up in the estimates for traveling expenses should also be saved, in addition to the \$1,500,000.

This bill, as reported to the Senate, is more than \$13,000,000 below the Budget estimates. Within that amount is \$649,925, which was set up for travel expenses. Therefore this amendment saves in travel expenses for the coming fiscal year the sum of \$2,350,566, or a total of 14 percent of all the money which is set up for travel expense for the Department. If we have erred in this matter, Mr. President, we have reduced these travel expense estimates by too great an amount. Why do I say that? If we cut only the amounts available for travel expenses and do not affect the salaries of the men who are supposed to carry on the vast field program of the Department of Agriculture, we shall have in the bill appropriations of many millions of dollars which will go for salaries to men who will not be able to go into the field and do the work, and we shall defeat the very purposes of the program which is contemplated by this bill. The real extravagance, therefore, would result if we were to reduce this item by any more than the amount the Senate Committee on Appropriations has already reduced it. The Department of Agriculture is essentially a field agency. It has representatives to perform work which is being carried on in every one of the 3,000 counties of the United States. It has agencies collecting statistics.

The large item read by the Senator from Virginia for the Bureau of Animal Industry is incurred by veterinarians and others who are going about the country inspecting the dairy herds, combating Bang's disease, combating tubercular disease in cattle, combating the foot-and-mouth disease, and conducting all the other manifold activities of the Department of Agriculture. Would it not be foolish to cut off all the money available for travel expenses of a veterinarian who must go out to test for Bang's dis-

ease or for tubercular cattle. It would really be most wasteful; because we would have the agent so tied up that he could not go out into the field and carry on his work.

The Department of Agriculture has repeatedly been referred to as a nondefense agency. I maintain that the Department of Agriculture and its activities have a very direct relation to the national defense. The production of food and clothing to achieve the goals which have been fixed in the food-for-freedom program, so as to make sure that our own people shall have food and clothing and that our commitments to our Allies under the lend-lease program shall be discharged is certainly a most important contribution to the winning of this war. Today we are shipping vast quantities of food and clothing materials not only to England but through the icy waters of the Arctic Ocean and the Barents Sea to Russia. We are sending such materials to other places at which it is absolutely necessary that they be lodged if we are to carry on this fight against the Axis Powers. Certainly, it would be most wasteful for us in a moment of hysteria to reduce the travel expenses of this department so that its high-salaried employees could not go out into the field and discharge the duties which Congress has imposed upon them. We have gone just as far as we can go with safety in the matter of reduction of the amounts available for such purposes. The 13 percent reduction we have made is probably too great. Certainly it is greater than any reduction made in any other appropriation bill. In the Independent Offices appropriation bill, which has already passed the Congress, the amounts available for travel expenses for such special agencies—the Federal Trade Commission and all the other independent agencies—were reduced on an average by only 10 percent.

Mr. McKELLAR. Mr. President, if the Senator will yield to me, let me say that some of the items were reduced by 20 percent, and I believe one was reduced by as much as 33 1/3 percent. The committee used some discretion about it. I agree as to the importance of the Department of Agriculture; but since the tirade was made against the Senate and the House a few days ago by the newspapers, I am rather inclined to think that we had better be a little saving about gasoline; and I think that probably more crops would be raised if we kept a greater number of Federal agents out of automobiles, and thus kept them from using up the country's gasoline.

The newspapers have about converted me to the idea that we should be saving gasoline, and I am inclined to think that it probably would be wise to cut these items for travel expenses as much as 20 percent. I think the agencies could readily get by with that. I think that probably they will have to do it anyway, but I think the Congress should take that position. That is the way the matter strikes me.

I am sorry to differ with the Senator, but I expect to vote for the greater cut.

Mr. RUSSELL. Mr. President, I also was a member of the subcommittee which handled the Independent Offices appro-

priation bill. I asked the clerk of that committee what the travel-expense reduction amounted to. He stated that there was no reduction whatsoever in the amounts available for travel expense for some four or five of the agencies covered by the independent offices appropriation bill, and that the average reduction in the case of agencies covered by the Independent Offices appropriation bill was 10 percent. That information came from the clerk of the committee and was in accord with my own views about the matter.

Mr. McKELLAR. If the clerk of the committee said that he is correct because he is one of the most accurate men I know; and I yield to his superior information.

Mr. RUSSELL. Some of the larger items of travel expense for some of these agencies were not reduced at all. Some of them for the very small ones were reduced as much as 33 1/2 percent.

However, here we have a large department; and, even if some Senators do not think so, I believe that in the winning of this war the proper administration of the Department of Agriculture is just as important as the successful administration of the War Department and the Navy Department. We cannot prevail if we cannot be the granary as well as the arsenal of the United Nations.

Mr. McKELLAR. As I remember, the only agency whose travel-pay allowance was reduced was the F. B. I., which was considered to be absolutely a war agency at this time.

Mr. RUSSELL. The Senator is now talking about the State, Commerce, and Justice Departments appropriations bill. I was referring a moment ago to the independent offices appropriation bill.

Mr. McKELLAR. Oh, yes.

Mr. RUSSELL. The appropriation for the F. B. I. is carried in a bill which has not as yet been reported.

Mr. SMITH. Mr. President, let me ask the Senator from Georgia what other department of Government has as intimate relations with every county and every State in the Union as has the Department of Agriculture?

Mr. RUSSELL. I know of none; and as I have heretofore stated, 83 percent of all the money appropriated by this bill for travel expenses will be spent for travel in the field, within the counties. Of course, the bill contains a large appropriation for travel expenses; but when we have told a department to perform 1,860 different projects which have been authorized by the Congress and have been imposed on that Department by law, projects affecting every county in the United States, it is impossible to carry them out from Washington, and to transport the men on the trains. In order to do the work the men must be in the field.

Mr. BARKLEY. Mr. President, will the Senator yield there?

Mr. RUSSELL. I yield.

Mr. BARKLEY. My information is that the Department is working out a reorganization of the method by which they contact farmers in their self-controlled operations in the soil-conserva-

tion and the agricultural programs, and that instead of employing even as many salaried men as those now employed, they are working out a program by which the farmers themselves will take over a certain committee in a county and will do the visiting among their fellow farmers in order to organize the work, instead of having all the farmers visited by salaried men. In that way the amounts expended for salaries will be reduced. However, my information is that they propose to pay the actual expenses incurred by the farmer in going from his place to other farms to organize the committees in the counties and to carry on the program. Is it the Senator's understanding that such a reorganization is being worked out by the Department?

Mr. RUSSELL. I have understood that the county committees will undertake to perform a large amount of the duties now being performed for the Government by the regular officials of the Department, but that will not reduce the travel expenses any.

Mr. BARKLEY. I understand; but the result might be as much or more than would be saved for salaries as would be expended for traveling expenses in the counties by the local committees which to a very large extent will be appointed and chosen by the farmers themselves. So although they will be expected to travel among their fellow farmers in the county, and the Government may pay the expense of the travel, there will be a considerable saving in the salaries of the regular salaried employees who up to now have been doing that work.

Mr. RUSSELL. I am sure the Department of Agriculture is making every effort to economize. I have heretofore pointed out that at the hands of the Bureau of the Budget this bill has already suffered a reduction much greater than that suffered by any other bill which comes before the Senate or before the House. At the hands of the Bureau of the Budget and the House and the Senate it has already had a reduction, including the reduction for parity payments, \$460,000,000.

Mr. BYRD. Mr. President, I think the Senator should make it clear that following this bill there is bound to be an appropriation for parity payments. When he says there has been a reduction of \$460,000,000, including the reduction for parity payments, that is not entirely accurate.

Mr. RUSSELL. It is entirely accurate when we consider the amount of money which is stricken out of the bill, as compared with the appropriations last year; and I have so stated twice before on the floor of the Senate. Just a few minutes ago the Senator from Virginia referred to his punctuality in being here on Friday; and, since he was here, he should know that the pending bill includes appropriations for the parity payments for which there was a contractual obligation which the Government would have to discharge. No man can say what that amount will be next year.

Mr. BYRD. The Senator from Georgia estimated it this morning at \$150,000,000.

Mr. RUSSELL. I did not.

Mr. BYRD. That is what I understood the Senator to say.

Mr. RUSSELL. I said I thought there would probably be a saving of that much, that the total amount would perhaps be between that sum and \$175,000,000; but that was merely my guess; the guess of anyone else would be as good.

Mr. BYRD. What is the estimate for the amount of money that must be appropriated for the next fiscal year for parity payments?

Mr. RUSSELL. I am not going to make any estimate of that. In my judgment, it will be a sum that will be much below the \$212,000,000 which was appropriated for that purpose last year.

Mr. BYRD. From the evidence in the House hearings it appears that the estimate is from \$136,000,000 to \$150,000,000.

Mr. RUSSELL. I understand that in the House hearings there was such a statement, but since the House hearings were held prices of farm commodities have somewhat advanced and, undoubtedly, therefore, the amount necessary to be paid because of parity payments will be reduced.

Mr. BYRD. In view of the total reduction the subcommittee of the Senate Committee on Appropriations and the House have made in the bill, I think it ought to be made clear that in considering the \$426,000,000 reduction—

Mr. RUSSELL. Four hundred and sixty million dollars.

Mr. BYRD. Very well; a reduction of \$460,000,000 from the bill of last year; it should be remembered that this bill does not include any amount for parity payments, while last year, as I recall, \$212,000,000 were included in the appropriation bill for that purpose.

Mr. RUSSELL. I have referred on two or three occasions to the fact that there is no specific appropriation for parity payments in this bill.

Mr. BARKLEY. Mr. President, will the Senator yield for a question?

Mr. RUSSELL. Yes.

Mr. BARKLEY. The Senator stated a moment ago that the House provision limiting the traveling allowance to \$3,000,000 saved money; in other words, that the Department could not spend more than \$8,000,000 for travel but could spend the balance for something else within the limits of the bill. How does the Senator's committee figure that as a saving?

Mr. RUSSELL. Because we direct the Secretary of Agriculture before the first of August to go through this bill and the Budget estimates and deduct a million five hundred thousand dollars and cover it into the Treasury as miscellaneous receipts.

Mr. BARKLEY. So that, while the House provision makes no saving, the committee amendment at least saves a million and a half dollars which will be covered into the Treasury.

Mr. RUSSELL. It saves a million and a half dollars in addition to the amount provided for travel expenses in the Budget estimates which was disallowed, and, as I have pointed out, that amounts to \$649,000. So that the Senate committee has already reduced the travel bill by \$2,350,566, which represents a real saving

and a reduction of 14 percent in the bill. If we cut the traveling expenses any more, all we will do will be to immobilize the Agricultural Department in drawing funds from the Treasury to carry out the work which Congress has placed upon them and hamper the field program. The Bureau of Animal Industry would be crippled in carrying out their campaign against the Japanese beetle and against all the other pests which has to be carried on in the field, because such pests, as well as animal diseases, are not going to be kind enough to come to Washington where the experts can deal with them; they are in the field where the farmers live; and if the Department is to carry out the duties Congress has imposed on it, representatives must be sent into the field and the work must be continued.

Mr. BARKLEY. As I understand the mathematics of the situation, then, adding the six-hundred-and-odd-thousand dollars and the million five hundred thousand dollars results in a saving by the bill as reported of over \$2,000,000, which represents a 14-percent saving, whereas if the amendment of the Senator from Virginia should be adopted it would be \$3,200,000 plus \$600,000, which adds up to nearly \$4,000,000, which would represent about 25 percent reduction.

Mr. RUSSELL. It would represent a reduction of approximately 25 percent, which is much greater than Congress has asked any other agency of the Government which is engaged in field work to take. I hope the amendment will be rejected.

Mr. MEAD. Mr. President, will my colleague from Georgia yield for a moment?

Mr. RUSSELL. I yield.

Mr. MEAD. As a member of the Appropriations Committee, and having had something to do with similar items of the Independent Offices bill, I can say that I supported the chairman of the committee in the reduction of every travel item which he brought to our attention. I know that the chairman of the subcommittee and the subcommittee itself gave personal and considered attention to every one of those items. I know that the chairman of the subcommittee, whose bill is now before the Senate, gave considered attention to all those items, and, therefore, he knows whereof he speaks when he tells the Senate that these items have been pared to the limit, and that we will probably be on dangerous ground if without sufficient evidence, we go further than the committee proposes.

I wish to call the attention of the Senate to the farming situation in my State. Farm labor is becoming a problem there; the Department has already taken cognizance of it and is establishing centers where farm labor may be provided and transported where needed. In my State farm machinery is also becoming a problem, and means will have to be provided in order that the labor and the machinery necessary for the operation of our farms may be properly dispatched and cared for. There is looming a shortage of fertilizer, and it will require considerable attention on the part of the farm

agency if we are going to supply agricultural products to the armies of the world.

If food is going to be a major factor in the determination of the victory, as I know it will be, then I think that we ought to follow the wise leadership of the chairman of this committee who has given consideration to every one of these items. I commend him for the saving he has made; and I commend him also for the consideration he has given to all these appropriation items.

Mr. RUSSELL. I thank the Senator from New York for his observations.

I may say, Mr. President, that the reason this matter was handled in this manner directing the Secretary of Agriculture to return these funds to the Treasury as miscellaneous receipts was due to the tremendous number of some sub-items involved in the agricultural appropriation bill. There are something like 150 of them. If the committee had undertaken to deal with these items, which range in amount from \$100 up to a million or more in some instances, it would have required careful investigation. We felt that leaving it in the hands of the Secretary of Agriculture, with direction as to the amount he should take out of the bill and return to the Treasury, allowed to a degree a flexibility which would reduce to the minimum the confusion the reduction would cause.

If the committee has erred in this matter, we reduced the appropriation for travel too greatly when we cut approximately two and a half million dollars out of it. Certainly any further reduction would seriously impair the activities of the Department of Agriculture.

Mr. TAFT. Mr. President, I merely wish to say that it seems to me a 25-percent reduction in traveling expenses is not too much to request any Government official to make. So far as I am concerned, I expect to see made a great deal more saving in the total amount of gasoline and rubber than that. After all, as I understand, 80 percent of this item is for travel in localities which involves the use of automobiles, and therefore of gasoline and rubber. Each one of these cars, apparently, will have an unlimited amount of gasoline; the Department will not be restrained by law in any way in the use of gasoline and rubber. It seems to me that a cut of 25 percent, and a request to them to plan their activities in such a way as to spend 25 percent less for traveling expenses and thus save gasoline and rubber, is certainly a very reasonable request to make. I cannot see any reason why the Senate should not adopt the proposal of the Senator from Virginia.

Mr. BYRD. Mr. President, I simply wish to say that if the amendment offered by the Senator from Virginia were adopted, there would be available for traveling expenses in the Department of Agriculture approximately \$13,000,000. A great deal of traveling can be done with \$13,000,000. Much of the traveling expense is incurred by renting automobiles at 3 cents a mile, which is the amount in most localities. I think \$13,000,000 is sufficient. If it is not sufficient, then, Congress will remain in session

continuously, and the Department of Agriculture can ask for special appropriations; but I think the Department should be compelled to reorganize their traveling and their overhead expenses and make every possible reduction that can be made. There will be \$13,000,000 available for traveling, if my amendment be adopted.

SEVERAL SENATORS. Vote!

The PRESIDING OFFICER (Mr. MURDOCK in the chair). The question is on the amendment of the Senator from Virginia [Mr. BYRD].

Mr. TAFT and Mr. BYRD asked for the yeas and nays.

The yeas and nays were ordered, and the legislative clerk proceeded to call the roll.

Mr. GLASS (when his name was called). I have a general pair with the junior Senator from Massachusetts [Mr. LODGE], but being assured that he would vote as I am about to vote, I am permitted to vote. I vote "yea."

The roll call was concluded.

Mr. HAYDEN (after having voted in the negative). I have a general pair with the Senator from Idaho [Mr. THOMAS]. I understand that if present he would vote as I have voted. I therefore allow my vote to stand.

Mr. WAGNER (after having voted in the negative). I have a general pair with the junior Senator from Kansas [Mr. REED], which I transfer to the junior Senator from Rhode Island [Mr. GREEN], and allow my vote to stand.

Mr. GILLETTE. My colleague, the junior Senator from Iowa [Mr. HERRING], is necessarily detained. I am advised that if he were present he would vote "nay."

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] is absent because of illness.

The Senator from New Hampshire [Mr. BRIDGES] is absent as a result of an injury and illness. He has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Pennsylvania [Mr. DAVIS] is absent on official business. He has a general pair with the Senator from Kentucky [Mr. CHANDLER].

The Senator from Massachusetts [Mr. LODGE], the Senator from Kansas [Mr. REED], the Senator from Idaho [Mr. THOMAS], the Senator from Minnesota [Mr. SHIPSTEAD], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Ohio [Mr. BURTON] are necessarily absent.

The Senator from Nebraska [Mr. BURLER] is detained on official business.

Mr. HILL. I announce that the Senator from Kentucky [Mr. CHANDLER], the Senator from Idaho [Mr. CLARK], the Senator from Rhode Island [Mr. GREEN], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Connecticut [Mr. MALONEY], the Senator from Montana [Mr. MURRAY], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Utah [Mr. THOMAS], the Senator from Maryland [Mr. TOWDING], the Senator from Indiana [Mr. VAN NUYS], and the Senator from Washing-

ton [Mr. WALLGREN] are necessarily absent from the Senate.

The Senator from California [Mr. DOWNEY] is absent on official business in his State.

The Senator from Colorado [Mr. JOHNSON] is detained on business in one of the Government departments.

The Senator from Florida [Mr. PEP-
PER] is detained in a conference at the
White House. I am advised that if pres-
ent and voting, he would vote "nay."

The Senator from New Jersey [Mr.
SMATHERS] is detained in a committee
meeting.

The Senator from Connecticut [Mr.
MALONEY] is paired with the Senator
from Pennsylvania [Mr. GUFFEY]; and
the Senator from Maryland [Mr. TYD-
INGS] is paired with the Senator from
New Jersey [Mr. SMATHERS]. I am ad-
vised that if present and voting, the Sen-
ator from Connecticut and the Senator
from Maryland would vote "yea," and
that the Senator from Pennsylvania and
the Senator from New Jersey would vote
"nay."

The result was announced—yeas 25,
nays 44, as follows:

YEAS—25

Austin	George	Taft
Ball	Gerry	Vandenberg
Brewster	Glass	Walsh
Brooks	Kilgore	Wheeler
Brown	Lee	White
Bunker	McFarland	Wiley
Byrd	McKellar	Willis
Clark, Mo.	Millikin	
Danaher	Radcliffe	

NAYS—44

Aiken	Gurney	Nye
Andrews	Hatch	O'Daniel
Bailey	Hayden	O'Mahoney
Bankhead	Hill	Overton
Barkley	Holman	Rosier
Bilbo	Hughes	Russell
Bone	La Follette	Schwartz
Bulow	Langer	Smith
Capper	Lucas	Spencer
Caraway	McCarran	Stewart
Chavez	McNary	Thomas, Okla.
Connally	Maybank	Truman
Doxey	Mead	Tunnell
Ellender	Murdock	Wagner
Gillette	Norris	

NOT VOTING—27

Barbour	Guffey	Reynolds
Bridges	Herring	Shipstead
Burton	Johnson, Calif.	Smathers
Butler	Johnson, Colo.	Thomas, Idaho
Chandler	Lodge	Thomas, Utah
Clark, Idaho	Maloney	Tobey
Davis	Murray	Tydings
Downey	Pepper	Van Nuys
Green	Reed	Wallgren

So Mr. BYRD's amendment to the amendment of the committee was re-
jected.

The PRESIDING OFFICER. The
question now is on agreeing to the
amendment of the committee on page
102, beginning with line 18.

The amendment was agreed to.

Mr. RUSSELL. Mr. President, I ask
unanimous consent that the amendments
relating to the provision covering sur-
plus commodities, found on page 80, be
passed over temporarily, and that we
consider next the remaining amend-
ments under the Farm Security Admin-
istration provisions.

The PRESIDING OFFICER. Is there
objection? The Chair hears none, and
the clerk will state the next amendment

passed over under the Farm Security
Administration.

The LEGISLATIVE CLERK. On page 83,
line 15, after the word "act", it is pro-
posed to strike out "\$1,250,000" and to
insert "\$2,000,000."

Mr. BYRD. I take it the Senator from
Georgia is to make an explanation of
the amendment.

Mr. RUSSELL. I shall be very happy
to undertake to make an explanation.

The pending amendment is found on
page 83, under what is known as the
Farm Tenant Act. It relates to activi-
ties of the Department of Agriculture
carried on under the direction of the
Farm Security Administration, to comply
with the congressional authorization
found in what is generally known as the
Bankhead-Jones Farm Tenant Act, a
program which was instituted by the
Congress to enable farm tenants to pur-
chase their homes.

As one member of the committee, Mr.
President, I deeply regret that in the
stress of war it has been found necessary
to reduce this appropriation in the
slightest degree. To my mind, this has
been one of the most valuable activities
of all those under the Department of
Agriculture.

Mr. WHEELER. Mr. President, will
the Senator yield?

Mr. RUSSELL. I yield.

Mr. WHEELER. All I know about the
activities of the Department in this par-
ticular is as they relate to my own State;
but, so far as my State and the whole
Northwest are concerned, these activities
have constituted one of the most valuable
contributions made by the Department
of Agriculture to the underprivileged—
the poor farmer.

Mr. RUSSELL. I am glad to have that
observation from the Senator from Mon-
tana.

Mr. President, the loans under this
authorization have been made for a num-
ber of years. The first year only \$10,-
000,000 was authorized as a loan fund.
The following year it was increased to
\$25,000,000. The maximum amount of
the authorization is \$50,000,000, and that
has been the amount provided for the
past several years. The limitation on
administrative expenses is fixed at 5 per-
cent of the amount available for loans.

This year the amount provided for
these loans is \$40,000,000. I think that
almost every Member of the Senate who
has investigated this matter will agree
that this is one of the best programs
carried on by the Department of Agricul-
ture. The amount to be available for the
next year will be less than what has been
provided in the past. My own view was
that we would have been amply justified
in making available \$50,000,000 for this
purpose instead of \$40,000,000.

Mr. TAFT. Will the Senator yield?

Mr. RUSSELL. I yield.

Mr. TAFT. Purely for the purpose of
making the matter clear, will not the
Senator explain the difference between
the appropriation found on page 83 and
that on page 87, and how the programs
differ? The increase on page 87 is from
\$70,000,000 to \$125,000,000. Both provi-

sions seem to be for loans to farmers,
and I thought perhaps the Senator could
explain the difference between them.

Mr. RUSSELL. The loans which are
provided for on page 83, under the head-
ing of "Farm Tenant Act," are loans to
enable farm tenants and sharecroppers
to become landowners and are loans for
the acquisition of real estate, to enable
sharecroppers and tenant farmers over
a period of 40 years to become home
owners.

The item on page 87 covers the rural
rehabilitation loans. Such loans are not
made for the purpose of acquiring lands
but to provide capital for farmers who
have no capital, and to enable under-
privileged farmers who have no credit
resources elsewhere to obtain the tools
and the food and the other things which
are necessary to enable them to operate
their farms and thereby become self-
sustaining.

The first item relates to purchase of
land and the other relates to loans for
the acquisition of personal property and
for the maintenance of the farms.

Mr. President, I was about to point out
that of the total loans which have been
made under the Farm Tenant Act, 99
percent are current today. That is an
amazing statement to make, when we
consider that there have been sections
of the country in which farms have been
acquired where there have been droughts,
or floods, or the ravages of grasshoppers,
or Mormon crickets, or of the boll wee-
vil, which have wiped out the farmers'
crops, but despite all the hazards to which
these farmers have been subjected, over
99 percent of them have their loans cur-
rent today. This is a graphic illustration
of that hunger which is in the heart of
every American, which is inherent in us
as a people to own our homes. These
people in appreciation of this program
which has been provided by the Govern-
ment have anticipated the maturity of
their loans to an extent greater than 20
percent. There is no possibility what-
ever of the Government ever losing any
money on these loans under this pro-
gram, because in the place of the excep-
tional individual who falters and is un-
able to carry his loan there will always
be other tenant farmers or sharecrop-
pers who will be willing to step into his
place, and some of them will make good.

Mr. President, I may say that in spite
of all the controversies which have raged
before the committee, and all the criti-
cisms of some features of the Depart-
ment's program which were submitted to
us, not a single witness appeared before
the committee, whatever his views, who
advocated that this program be curtailed
or eliminated.

Mr. HILL. Mr. President, will the
Senator yield?

Mr. RUSSELL. I yield.

Mr. HILL. I wish to associate myself
with all that the Senator from Georgia
has said about the farm-tenant program.
As the Senator from Georgia has said,
the program was created by a measure in-
troduced by my colleague the senior Sen-
ator from Alabama [Mr. BANKHEAD],
which is known as the Bankhead-Jones

Act. To my mind, no finer program is being carried out today by the Government, or one which is doing more for human welfare and for human beings. I wish to ask the Senator from Georgia if it is not a fact that last year the Farm Security Administration had 20 times more applications than it could take action upon? In other words, where an application was filed the applicant had only 1 chance out of 20 to come in under this program.

Mr. RUSSELL. The period for taking applications was very brief, but I understand that 176,000 applications were submitted, when it was only possible to make some seven or eight thousand loans.

Mr. HILL. And the committee itself, in recommending the \$40,000,000, has really made a reduction of \$10,000,000, has it not?

Mr. BANKHEAD. A reduction of 20 percent.

Mr. HILL. The reduction is 20 percent, as my colleague, the senior Senator from Alabama suggests. The committee, in acting on the bill, has itself made a cut of 20 percent in what was proposed in the program for this work.

Mr. RUSSELL. No; the amount reported by the committee is the amount of the Budget estimate. It is a reduction of \$10,000,000 below the appropriation for the current year.

Mr. HILL. It represents a reduction of \$10,000,000 below the appropriation for the current year. As the Senator from Georgia well recalls, of course, when the basic act was passed it was contemplated there should be \$10,000,000 appropriated the first year, \$25,000,000 the second year, and \$50,000,000, for each year thereafter. So what the committee is doing in its effort to economize and in its efforts to cut down as much as possible is to make a reduction of 20 percent in what was contemplated as the program when it was established. Is that true?

Mr. RUSSELL. The Senator has correctly stated the committee's position. It was my own position that there was no economy in reducing appropriations for loans with respect to which repayments were being made.

The PRESIDING OFFICER. The question is on agreeing to the amendment of the Committee on Appropriations on page 83, in line 15.

The amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The next amendment was, on page 83, line 18, before the word "which", to strike out "\$25,000,000" and insert "\$40,000,000."

The amendment was agreed to.

The next amendment was, under the subhead "Land utilization and retirement of submarginal land", on page 85, line 10, after the word "elsewhere", to strike out "\$1,591,182" and insert "\$795,575."

The amendment was agreed to.

The next amendment was, on page 85, at the end of line 11, to reduce the total appropriation under the Farm Tenant Act, from \$3,341,182 to \$3,295,575.

The amendment was agreed to.

The next amendment was, under the heading "Loans, grants, and rural rehabilitation", on page 85, line 21, after the word "facilities" and the semicolon, to insert "and (6) not exceeding \$1,400,000 for operation and maintenance of existing migratory labor camps."

Mr. BYRD. I assume the Senator from Georgia [Mr. RUSSELL] will wish to make an explanation of the loans granted for rural rehabilitation.

Mr. RUSSELL. Mr. President, the item on page 85 consists of two portions. One is a limitation on the amount of the appropriation which may be expended for the operation and maintenance of migratory labor camps, and the other involves the appropriation for maintenance and grants to be administered by the Farm Security Administration. The Budget estimate for the operation of the migratory labor camps, as contained in the original bill, was three and a half million dollars. The committee went somewhat fully into the question of migratory labor camps. We were convinced that under the existing circumstances an appropriation in such amount could not be justified.

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. LA FOLLETTE. I think a number of Senators who are interested in this item are absent from the Chamber. I should like to suggest to the Senator that it might save him some time if he were to yield and permit me to suggest the absence of a quorum.

Mr. RUSSELL. I agree with the Senator from Wisconsin. I know there are some Senators absent who would like to be present when this matter is considered. I just now requested the clerk of the committee to call up two who I knew were interested in the matter, but there may be other Senators who are interested, and who are not present. Therefore I think it might be wise to have a quorum call.

Mr. LA FOLLETTE. I suggest the absence of a quorum.

The PRESIDING OFFICER. The clerk will call the roll.

The legislative clerk called the roll, and the following Senators answered to their names:

Alken	Gillette	O'Daniel
Andrews	Glass	O'Mahoney
Austin	Green	Overton
Bailey	Gurney	Pepper
Ball	Hatch	Radcliffe
Bankhead	Hayden	Rosier
Barkley	Hill	Russell
Bilbo	Holman	Schwartz
Bone	Hughes	Smathers
Brewster	Johnson, Colo.	Smith
Brooks	Kilgore	Spencer
Brown	La Follette	Stewart
Bulow	Langer	Taft
Bunker	Lee	Thomas, Okla.
Butler	Lucas	Truman
Byrd	McCarran	Tunnell
Capper	McFarland	Tydings
Caraway	McKellar	Vandenberg
Chavez	McNary	Van Nuys
Clark, Mo.	Maybank	Wagner
Connally	Mead	Walsh
Danaher	Millikin	Wheeler
Doxey	Murdock	Willis
Ellender	Norris	
Gerry	Nye	

The PRESIDING OFFICER. Seventy-three Senators have answered to their names. A quorum is present.

The question is on agreeing to the committee amendment on page 85, line 21.

Mr. RUSSELL. Mr. President, as I was stating before the absence of a quorum was suggested, the committee felt that a reduction should be made in the appropriation for the maintenance of migratory labor camps. We do not believe that present conditions justify the expenditure of large sums of money for additional migratory labor camps. Every Senator who has an agricultural constituency knows that there is no surplus of farm labor anywhere in the country. Any farmer who wishes to get a job working on a farm can get one today. We have all had complaints about the effect of the high wages which obtain on war projects and the effect of the draft on the question of having a sufficient supply of labor on the farms to produce and gather the crops which are so essential to the war effort.

I think those apprehensions are well founded. In considering the effect of the draft on farm labor, and in considering the income of the farmers, we must recognize that we cannot place agriculture in a class by itself if we expect to have the food and clothing which are necessary in the war effort.

The migratory labor camps came into being when we had a very unusual condition. It was immediately after the awful disasters in the Dust Bowl, which were so graphically portrayed by Mr. Steinbeck in his book *The Grapes of Wrath*, which most Senators have read.

The migratory labor camps were established to provide a haven for those who could not secure farm work elsewhere. When the first provision was adopted for the creation of migratory labor camps I stated on the floor of the Senate that I accepted the provision with a great deal of reluctance because I apprehended that as time went on they would become merely an adjunct of the large corporate farms, and that the Government would merely be spending money in providing such farm workers with shelter which should be provided for them by the owners and operators of the large corporate farms. I have seen that prediction borne out. Of course, the Government does not provide for camps for migratory labor for all the corporate farms, but in a great many cases the Government is providing housing facilities and furnishing free water and light for migratory workers who work on corporate farms whose owners should be providing such facilities.

The committee felt that it might properly limit to \$1,400,000 the appropriation available for such labor camps.

Mr. McKELLAR. Mr. President, the Senator will recall that certain members of the committee wanted to strike out the item altogether. I was one of them, because I think it is one of the most wasteful, extravagant, unnecessary, and improper appropriations we have made.

Mr. RUSSELL. A number of members of the committee earnestly sought to abolish altogether the migratory labor camps. That was done so far as the House was concerned, because the House struck out all the appropriation and au-

thorization for the conduct of such camps.

Mr. BYRD. Mr. President, if the Senator will yield to me, let me ask him what reduction that would make for this year?

Mr. RUSSELL. The regular 1943 estimate proposed an appropriation of \$2,766,565 for the operation, maintenance, and management of migratory labor camps, of which amount the committee has allowed \$1,400,000. The Budget estimate also proposed an appropriation of \$733,435 for development and construction of migratory labor camps, and the committee has disallowed that amount in its entirety. Thus, the total amount of the regular 1943 estimate disallowed by the committee is \$2,100,000.

Mr. BYRD. I understand that the sum available for construction of the camps is disallowed. Is my understanding correct?

Mr. RUSSELL. The committee in its report definitely indicated that no funds would be spent for the construction of any new migratory labor camps.

Mr. BYRD. Let me say that I am very much in favor of the committee amendment.

Mr. RUSSELL. I am sure the Senator will be interested in the fact that the appropriation for the current year, 1942, was \$5,000,000 for the migratory labor camps, and under the language provided by the committee that amount has been reduced to \$1,400,000.

I did not favor the proposal absolutely to abolish the migratory labor camps. There are very definite reasons why I took that position. In some instances farmers are utilizing for the harvesting of their crops the men who are made available by reason of the existence of the camps. There would be a very great dislocation in the agricultural economy of those sections if the Senate should follow the action of the House and abolish the camps in their entirety.

Mr. McKELLAR. Mr. President, will the Senator yield again?

Mr. RUSSELL. I yield.

Mr. McKELLAR. Is there before the Senate any amendment to change the recommendation of the committee?

Mr. RUSSELL. No amendment has yet been proposed; but the Senator from Virginia has requested that I explain the action of the committee on these items; and I was attempting to justify what the committee has done. However, I may say to the Senator from Tennessee that I had been notified by members of the committee that they proposed to submit amendments.

Mr. McKELLAR. I hope they will not do so. I think the committee has really reached a very wise decision, and has resolved every doubt in favor of this very large appropriation, as it seems to me, of \$1,400,000 for migratory labor camps. Surely the amount should not be increased.

Mr. RUSSELL. Mr. President, the next amendment on page 85 relates to the total appropriation, not only for the migratory labor camps but for grants to farmers who are in distress.

Mr. BYRD. Mr. President, if the Senator will permit me to interrupt him, I

am wondering if we cannot vote on the amendment relating to the migratory labor camps, and then take up the other amendment, which relates to a number of matters. Probably the Senator's explanation as to the others would be more timely if we were first to vote on the amendment with regard to the migratory labor camps, especially if we have any discussion about it.

Mr. RUSSELL. I have no objection to taking such a course. I can conclude my entire explanation very briefly, I assure the Senator from Virginia. However, I have no objection, Mr. President, to doing as the Senator from Virginia suggests, if the Senator wishes to vote now.

The PRESIDING OFFICER (Mr. MURDOCK in the chair). The question is on agreeing to the committee amendment on page 85, commencing in line 21, which will be stated.

The CHIEF CLERK. On page 85, line 21, after the word "facilities," it is proposed to insert "and (6) not exceeding \$1,400,000 for operation and maintenance of existing migratory labor camps."

The amendment was agreed to.

The PRESIDING OFFICER. The next committee amendment will be stated.

The CHIEF CLERK. On page 85, line 23, after the word "camps", it is proposed to strike out "\$25,319.557" and insert in lieu thereof "\$50,319.557."

Mr. RUSSELL. Mr. President, this amendment relates to appropriations for the maintenance and administration of a number of activities of the Farm Security Administration, including operation and maintenance of migratory labor camps, and grants to farmers who live in areas in which great losses have occurred due to unusual conditions over which those farmers have no control. Such appropriations for grant have been made for a number of years.

I am sure that farmers in the Northwest are familiar with how important such grants were in the days of the droughts when the crop production in those areas was about 10 percent of what it ordinarily is. I have had occasion to know that in areas in which floods and unusual ravages of the boll weevil have occurred, these grants have been most helpful, and have enabled farmers to stay on their farms and prepare to make another crop under better conditions, rather than go into the cities and get on the W. P. A. rolls.

Mr. WHEELER. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. WHEELER. I am in entire accord with what the Senator has said. I simply desire to say that in eastern Montana, western North Dakota, and South Dakota, when the drought occurred, and was followed by the grasshopper plague, the drought lasted for 5 or 6 consecutive years, and, because of foreclosures, many of the farmers had to leave their farms. They lost their farms and were driven into the cities and put on the W. P. A. rolls. In the sections in which they were permitted to get some help, and did get it, the farmers were fine, high-type, first-class farmers, but because of the drought and the grasshopper situation which

existed there for a period of 5 or 6 years, the Farm Security Administration, when it did aid the farmers there, helped to rehabilitate them. As I understand, the House has limited to \$1,000 the amount available to any such farmer. As a matter of fact, a limit of \$1,000 may be all right in some places, but I submitted an amendment asking that the minimum to be granted should be \$3,000. The committee fixed it at \$2,500. Frankly, I am gratified that the committee increased the amount to \$2,500, but I think it should have been more. I felt that the \$3,000, which I recommended, was a very modest sum. Particularly in the Midwest section of the country, in order to rehabilitate a farmer and to enable him to become really able to make a living, he must have cattle and other livestock. The Senator will remember that during the droughts which occurred in eastern Montana, western North Dakota, and South Dakota conditions became so bad that all the cattle the farmers had were taken off the farms and killed, bought for the Government, and made into soap and other products. So at that particular time the farmer was left not only without any crops but without any cattle, horses, or any other livestock. The farmers simply could not get hay or other necessary feed for their livestock.

The Farm Security Administration has tried to rehabilitate such farmers by giving them a few chickens, cows, and other livestock in order to put them back on their feet, and I think that the sums appropriated should be increased over the proposed \$2,500 limit.

However, the committee has increased the amount to \$2,500, which is probably the best it could do, and I shall not ask the Senate to increase the amount, notwithstanding the fact that, frankly, I feel that in the particular section of the country to which I have referred a larger amount should be made available.

Mr. RUSSELL. The committee thought that it was rather generous with the Senator from Montana. It increased the amount from \$1,000 to \$2,500. However, less than 2½ percent of all the loans which have been made would be affected.

Mr. WHEELER. That is true.

Mr. RUSSELL. Approximately 98 percent of all the loans which have been made in the country have been for less than \$2,500.

Mr. WHEELER. I agree with that statement. The only place where larger loans are necessary is in the northwest section of the country. The farmers there are the highest type which can be found anywhere in the United States. They are largely Norwegians, Swedes, and Danes who in the early days came out from Minnesota, North Dakota, and other parts of the Middle West, took up homesteads, and developed that section of the country, only to find that the drought came along. For 6 or 7 years it simply wiped them out completely. Thousands of them are driven off the farm and are forced to go into California and various other sections, many of them into the cities, and frequently to go on the rolls of the W. P. A. with their entire families.

I hope \$2,500 will be sufficient; but many farm organizations of that section requested of me that the amount be made not only \$3,000, but, in some instances, they wanted it to be made as high as \$4,000. I shall not, however, press for the \$3,000 limit, in view of the fact that the Appropriations Committee has probably done the best it could.

As I said a moment ago, of all the activities of the Agriculture Department, the one that has done more to help the poor farmer is this particular activity. Even if the Government loses money in the effort to rehabilitate the poor farmers who cannot get along, many of whom have been wiped out because of their economic conditions or because of weather conditions, I am more willing that a loss be incurred to help them than I am to help many others who are getting money out of the Treasury of the United States for a much less worthy cause.

I cannot conceive of anyone opposing this program who wants to help the poor farmer rehabilitate himself and become established so that he may live upon his farm. When the farmers live upon their own farms eventually there follows the building of schools and churches, the establishment of homes, and the enjoyment of home life throughout the country. That is much better than to draw farmers into industrial centers where they not only do not feel at home, but where many of them eventually have to go upon the W. P. A. rolls.

I want to thank the Senator and the committee for raising the amount to \$2,500, and I hope that it will be maintained at that figure as the minimum.

Mr. RUSSELL. Mr. President, I think I can assure the Senator from Montana that very likely we will see that limit retained in the final enactment of the bill, because the House committee gave very lengthy hearings to that subject, and agreed also on the sum of \$2,500. When the bill reached the House floor this activity became the subject of very general attack, and on the floor of the House an amendment was offered reducing the amount to \$1,000.

The Senator from Montana knows, of course, that the average loan to all the approximately 430,000 borrowers in the Farm Security Administration is about \$800. The committee felt that the administration should be enabled with the funds provided to reach as many people as possible, and that something should be done to prevent 1 person getting a loan of such size as might defeat the rehabilitation of 3 or 4 others who could get along on less money. I think \$2,500 is a very fair compromise, and I can assure the Senator that I shall do all within my power to see that it is retained in the bill when it finally becomes the law.

Mr. President, when this bill was before the House of Representatives an amendment was offered on the floor which reduced the appropriation of this agency from \$50,319,000 to \$25,319,000. The House committee opposed the amendment. That committee had conducted hearings and evidently thought that the larger appropriation was justified. The

Senate committee also conducted hearings for several days on this item. There have, undoubtedly, been numerous isolated instances of mistakes being made in the operation of this program, but I think the Senate should bear in mind that this is a comparatively new program, and not only that but it deals with the most underprivileged and helpless people of this Nation, people who have never had any opportunity whatever in life to become self-sustaining or who have been victims of conditions beyond their control which have wiped away all they have possessed.

While the matter was pending in the committee the President sent a supplemental Budget estimate requesting the appropriation of \$180,000,000 for the loan item which appears on page 87, and requesting an increase in the appropriation appearing on page 85 for administrative expenses of \$14,778,000. The committee only allowed \$50,000,000 of the increase that was requested by the President for the purpose of making loans and allowed only \$2,100,000 of the amount requested for administrative expenses. For that reason the figure on page 85 does not reflect the reduction that was made in the appropriation for the operations of the migratory labor camps, because the same amount was allowed in the supplemental estimate for administrative purposes.

The supplemental Budget estimate of the President urged an additional appropriation of \$14,778,000 and an additional loan authorization of \$105,000,000 on the ground that it was necessary as a part of the food-for-freedom program. I quote from the supplemental Budget estimate:

In order to meet our food requirements and those of our Allies, it is clearly apparent that every effort must be made to increase our production of agricultural commodities to the fullest possible extent. No farmers should be precluded from doing his part because of lack of credit. To this end the Department of Agriculture has informed both private and Federal credit agencies of our food needs and urged their maximum cooperation in the extension of the necessary credit. However, notwithstanding the facilities presently available, there are thousands of low-income farmers who cannot obtain sufficient credit to participate fully in the food-for-freedom program.

Studies of the Department of Agriculture reveal that, even with all other farm groups operating at maximum production, the production of the low-income farm group is vitally needed to assist us in reaching the food-production goals required for the successful prosecution of the war. It therefore proposes a strong attack on this problem which will make use of the facilities of the Farm Security Administration and will quickly and effectively reach the maximum number of low-income farmers with guidance, supervision, and adequate credit.

Witnesses appeared before the committee and pointed out that the last unused reservoir of labor in this country was the labor on the farms and that the low-income farmers did not have the capital to utilize their labor. In other words, in the West there might be a farm family that, due to the lack of capital, was only able to have 20 cows, whereas with adequate labor available within the family they could raise at least 60 or 70 beef cattle if they only had the capital to

expand their operations. In other words, these low-income farm families might have 2 or 3 members of the family, young boys or old men, who are not capable of going into defense plants or who are not subject to the draft, but who are potential assets as farm laborers, but, due to the lack of capital, such labor cannot be utilized.

It was a very persuasive argument. The committee, however, realizing the necessity for careful husbanding of all the credit resources of the country, as well as the necessity for the utmost economy in all operations, disallowed all the supplemental estimates for administrative expenses, except the sum of \$2,100,000 out of the \$14,778,000 recommended, and we cut the amount of the estimate for the loans by \$55,000,000. We feel that, while we have not allowed the entire Budget estimate, we have allowed sufficient to enable the Farm Security Administration to utilize the great amount of this labor that is today going to waste because of lack of capital on the farms.

The PRESIDING OFFICER. The question is on agreeing to the committee amendment.

Mr. BYRD. Mr. President, while it is, perhaps, utterly futile to speak against any of the appropriations contained in this bill, I desire to make an explanation of the action of the Committee on the Reduction of Nonessential Federal Expenditures which recommended the abolition of the Farm Security Administration and the transfer of the duties and obligations of this particular agency to the Agricultural Department within other branches of that Department.

The Committee on Reduction of Nonessential Spending was established by an act of Congress, and this mandate was given to the committee:

To make a full and complete study and investigation of all expenditures of the Federal Government, with a view to recommending the elimination or reduction of all such expenditures deemed by the committee to be nonessential, and to report to the President and to the Congress the results of its study, together with its recommendations, at the earliest practicable date.

Carrying out that mandate of Congress, the committee made an exhaustive investigation of the different activities of the Government for the purpose of recommending to Congress and to the President a reduction of nonessential spending in the period of great crisis which now confronts us.

Of course, it is easy to talk about economy in generalities, but it is very difficult to point to specific instances where the economies may be effected, and the committee had a most difficult task to accomplish.

Economy is always painful. I know of no economizer who has been popular. There are no bands to welcome him on his return home, because there are always those who are adversely affected by any economy the Government may institute.

When spending is entrenched in every nook and corner of America, as it now is, it makes economy most difficult to accomplish; but when we consider that we are now confronted with the most colossal

sal expenditures in the history of this country, expenditures which were unbelievable even a few months ago, when we realize that in the next year we will spend, we are told, if it is possible to do so, for the promotion of our war effort, from sixty to seventy billion dollars in 1 year, it seems to me that every possible economy should be effected in our non-essential, nondefense spending.

The House Committee on Ways and Means has now adopted a proposal, to be inserted in the next revenue bill, making subject to income taxes an individual with income of only \$500, and a married couple with an income of only \$1,200. Everything above a net income of \$500, in the case of a single individual, or \$1,200 in the case of a married couple, will be taxed.

Mr. VANDENBERG. The Senator might add at that point that in spite of that cruel burden, there will still be a deficit of \$50,000,000,000 in that fiscal year.

Mr. BYRD. The Senator from Michigan is correct. Notwithstanding that terrific taxation, we will pay less than one-half the total expenditures of our Government. We are reaching the point, Mr. President, when it can be predicted that before the emergency is over we will have a debt of perhaps not less than \$200,000,000,000, and perhaps more.

After all, I think we must recognize that solvency is the very foundation stone upon which representative democracy is founded. Destroy the solvency of a nation, and those freedoms for which our forefathers fought and died that we might enjoy will go. Solvency depends upon the ability of the private enterprise system to pay the costs of operating our Government. Whenever taxation becomes so excessive that the costs of the Government over a period of time cannot be paid, then the solvency of our Government is destroyed.

We must recognize the fact, too, that there have been deficits in our Federal revenue for 9 years, and the time will come, at the conclusion of the war, when we must balance our Budget if we are to maintain the system of government which we now have. The foundation stone upon which it is founded, in my judgment, is the system of free private business enterprise. When free private business enterprise cannot support the activities of the Government, when it cannot pay the interest and other obligations the Government has to pay, then we must go to some kind of state socialism, which will destroy the freedoms we now have.

To go back to the report of the committee created to recommend the reduction of nonessential spending, I wish to say that the members of the committee on the part of the Senate were appointed by the Vice President, and those on the part of the House by the Speaker of the House; and the resolution creating the committee made the Secretary of the Treasury and the Director of the Budget members of the committee.

The recommendation of the committee that the Farm Security agency be abolished, and that its duties be transferred to the Department of Agriculture, that

part relating to loans transferred to the Crop and Seed Loan Division, that part relating to education to the Extension Service, was made and signed by Mr. ROBERT L. DOUGHTON, as vice chairman of the committee, who is chairman of the House Ways and Means Committee, and it was signed by Mr. Henry Morgenthau, Jr., Secretary of the Treasury, with the reservation, however, that the reductions recommended by the committee insofar as agriculture was concerned were not as much as they should be. Mr. Morgenthau, whose letter is printed in the report, indicated that he thought a reduction of at least \$500,000,000 should be made in the appropriations for agriculture.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. RUSSELL. I received a letter from the Secretary of the Treasury requesting that, if the occasion arose, he would like to have me make clear his position as to the Farm Security Administration. Because of that request, I wish to read his letter, which strongly endorses all the appropriations, including those disallowed by the committee.

Mr. BYRD. All I can say is that the Secretary signed the report with the reservations contained in his letter which was made a part of the report.

Mr. RUSSELL. The Secretary asked me to make his position clear, and I think that, in justice to him, I should read his letter. It is addressed to me, is dated Washington, D. C., May 1, 1942, and reads as follows:

MY DEAR SENATOR: I understand your subcommittee has under consideration the bill providing appropriations for the Farm Security Administration's program during the fiscal year 1943, and that the report of the Joint Committee on Reduction of Nonessential Federal Expenditures, of which I am a member, has been called to the subcommittee's attention.

I might interpolate that I did not tell Mr. Morgenthau that the matter had been called to the attention of the subcommittee. I do not know how he received his information. The letter continues:

In this connection I would like to state that last winter I submitted several recommendations to the Joint Committee on Reduction of Nonessential Federal Expenditures, and among such recommendations I urged that we should make drastic cuts in our agricultural expenditures.

In making this recommendation I stated that I did not refer to the bulk of activities undertaken by the Farm Security Administration and that I believed there should be no reduction in our help of the sharecroppers and farm tenants who are in urgent and continuing need of economic rehabilitation. It was my feeling then, and it is still my feeling, that substantial reductions could be made in our agricultural expenditures without striking out those parts of the agricultural program which are helping the undernourished and which are doing so much for the sharecroppers, farm tenants, and other persons who can only be rehabilitated with the continuing assistance of the Government through the activities which are being carried on by the Farm Security Administration.

Furthermore, I feel that the Farm Security Administration's program has now assumed

a new importance because of the war and our anti-inflation efforts, in that it is assisting a sizable group of our low-income farming population to expand agricultural production and thereby help increase the food supply and avoid inflated prices.

I would appreciate it, if the occasion arises, that you would make my position clear.

Very truly yours,

H. MORGENTHAU, JR.,
Secretary of the Treasury.

In response to the request of the Secretary, inasmuch as the Senator from Virginia has referred to him, I thought I should make his position clear.

Mr. BYRD. I referred to him because he signed the report; and this was the exception he made:

I am willing to sign the report of the Joint Committee on Reduction of Nonessential Federal Expenditures subject, however, to my disagreement with the recommendations under Agriculture. I disagree with the recommendations with respect to agriculture, and in lieu of the recommendations contained in the committee's report, I desire to suggest the following:

When I appeared before the committee on November 14, I stated that expenditures included in the Budget under the farm program which was initiated in 1933, after the catastrophic fall in prices in 1932, were designed mainly to meet conditions involving low prices for farm products, surplus production, and loss of export markets. Present conditions are radically different from those which the farm program was designed to meet. It is estimated that in 1941 the farmer's share of the national income will be 20 percent greater than in 1932, notwithstanding a reduction of almost 10 percent in the proportion of the farm population to the total population of the country. Although governmental aid was necessary in order to bring the farmer's net income from three and one-fourth billion dollars in 1932 up to eight and one-half billion dollars or more in 1941, certainly after having reached this goal there does not appear to be any reason to continue spending at the same rate. The farmer is getting his share of the total expenditures made by the Government, as the increase in his net income indicates. In addition, there are substantial benefits that will accrue to the farmer from the lend-lease program.

In view of all these circumstances I feel at this time that we should make drastic cuts in our agricultural expenditures, and I would recommend that the Secretary of Agriculture be required to operate the agricultural program included in the Budget with an annual appropriation of \$500,000,000 less than authorized for the current fiscal year.

With respect to that part of the agricultural program carried on with funds borrowed from the Reconstruction Finance Corporation, I would want the committee to make a more thorough investigation of these activities before I make any definite recommendation for reductions in the amounts available for this purpose.

That was written on December 22.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. TAFT. I wonder whether the chairman of the subcommittee asked Mr. Morgenthau to specify just what it was he did think could be cut, and whether any information was received as to which of the other appropriations, rather than that for the Farm Security Administration, should be cut.

Mr. RUSSELL. I asked nothing of Mr. Morgenthau. I never regarded Mr.

Morgenthau as a great expert on agricultural questions, and it never occurred to me to invite him before the committee in regard to any agricultural questions. Mr. Morgenthau wrote me this letter, but not at my solicitation. I do not know what impelled him to do it, but I felt that, in justice to him, I should put the letter in the RECORD, inasmuch as he had been referred to by the Senator from Virginia.

Mr. TAFT. I am surprised at the Senator's statement regarding the Secretary of the Treasury, because I understood he had graduated from the agricultural school at Cornell, that he was a specialist on agricultural matters, and was one of the best advised men on agricultural questions.

Mr. RUSSELL. In times past I have had occasion to differ very widely with the Secretary of the Treasury with respect to particulars of the farm program. When I stated that I did not consider him an expert, it was perhaps an opinion formed because his views so far varied from my own.

Mr. VANDENBERG. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. VANDENBERG. If anything has been made clear it is that the Secretary is not very clear himself in anything he is trying to make clear.

Mr. GILLETTE. Mr. President, will the Senator yield for a query?

Mr. BYRD. I yield.

Mr. GILLETTE. In the letter from the Secretary of the Treasury which the Senator from Virginia just quoted there was a comparison made between 2 years, and the relative share of the national income which the farm group had received in those 2 years, which showed that in 1941 there was a 20-percent increase. I wonder if the Senator will refer to the letter and read that sentence again.

Mr. BYRD. What I read was as follows:

It is estimated that in 1941 the farmer's share of the national income will be 20 percent greater than in 1932, notwithstanding a reduction of almost 10 percent in the proportion of the farm population to the total population of the country.

Mr. GILLETTE. I thank the Senator.

Mr. BYRD. Mr. President, I wish to state for the RECORD that the Secretary of the Treasury signed the report, subject to the letter which I read, recommending the reduction of \$500,000,000 in the farm appropriation. This report was signed without reservation by CARTER GLASS, chairman Senate Committee on Appropriations, WALTER GEORGE, chairman Senate Committee on Finance, KENNETH McKELLAR, Democratic ranking Member, Senate Appropriations Committee, CLIFTON A. WOODRUM, Democratic ranking Member, House Appropriations Committee, THOMAS H. CULLEN, Democratic ranking Member, House Ways and Means Committee, ALLEN H. TREADWAY, Republican ranking Member, House Ways and Means Committee, JOHN H. TABER, Republican ranking Member, House Committee on Appropriations, and GERALD P. NYE, Republican ranking Member, Senate Committee on Appropriations, who

dissented with respect to the recommendations concerning agriculture.

As I previously said, the Senator from Wisconsin [Mr. LA FOLLETTE] submitted minority views.

The Budget Director was preparing a budget for the President, and he asked that he be relieved from signing the report.

Mr. President, I ask unanimous consent that the report, together with the signatures of those who signed it, may be printed in the RECORD.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

REDUCTION OF NONESSENTIAL FEDERAL EXPENDITURES

DECEMBER 24, 1941.

Report to: The President of the United States; the Vice President of the United States, President of the Senate; the Speaker of the House of Representatives.

In accordance with title 6 of the Revenue Act of 1941, Public Law No. 250, Seventy-seventh Congress, a preliminary report herewith is presented by the Joint Committee on Reduction of Nonesential Federal Expenditures.

LEGISLATIVE AUTHORITY

This committee was established pursuant to title 6 of the Revenue Act of 1941, approved September 20, 1941, which directed it to "make a full and complete study and investigation of all expenditures of the Federal Government, with a view to recommending the elimination or reduction of all such expenditures deemed by the committee to be nonessential, and to report to the President and to the Congress the results of its study, together with its recommendations, at the earliest practicable date."

PROCEDURE

The committee has had the benefit of the testimony of the Secretary of the Treasury, a member of the committee, the Secretary of Agriculture, and various other officials of the Government regarding the possibility of specific savings in existing departments and agencies. It has had before it for study the report of the Director of the Bureau of the Budget, also a member of the committee, submitted in response to the request of August 28, 1941, from the Senate Finance Committee, as well as other data submitted directly to this committee by the Budget Bureau. The committee has received also suggestions of economies from civic agencies, taxpayers' clubs, and private citizens. It has collected, in addition, evidence from its own sources, and it has devoted considerable time to a survey of the problems. This report is made on the basis of all the information thus collected.

INITIAL REPORT

Directed to report to the President and to the Congress at the earliest possible date, the committee considers it highly desirable to present now a preliminary report. The committee emphasizes that this report is only its first, and that other departments, agencies, funds, programs, and items will be examined by the committee and treated in subsequent reports.

This is only a partial report. While the committee has worked diligently since its organization, the magnitude of the labor involved as well as the vital legislative matters before Congress in recent weeks have prevented due consideration to further reductions and eliminations, which will be reported on later. Subjects considered in this report are limited largely to those established originally as depression measures.

The committee believes that in view of the improved economic situation and the

vital new war conditions the agencies of Government and the Members of Congress should have at the earliest practicable time the benefit of conclusions thus far reached by the committee, and any possible economies which now can be effected should not be deferred.

Before the war, economy in nonessential spending was important. Now it is vital. There is no room for nonessentials in a government stripped for action. Our united purpose is to produce sufficient armament and trained personnel to win this war. Nothing can be permitted to interfere with this objective. The American people are being asked to pay extremely burdensome taxes which will become greater; they are being asked to make great sacrifice and endure hardships. The Government should set the example.

The United States Treasury is facing the tremendous task of financing the war. We must decrease its difficulties, not increase them. All nonessential spending must yield to the needs of our defense program.

Strenuous efforts are being made to prevent serious price inflation. To continue consumer subsidies created during depression years without urgent necessity will pour fuel on a disastrous inflation fire.

The committee believes substantial reduction in nonessential spending would be of material aid in holding down inflationary price increases.

We shall have to draw on all our resources and accumulated wealth, as well as manpower to fight a long war. In addition to equipping our own armed forces and establishing at home our own defenses, we have undertaken to furnish military supplies of every description to all nations fighting the forces of aggression. We must continue this without stint. But it is a colossal obligation.

FEDERAL DEBT

We started this war with a direct Federal indebtedness of about \$55,000,000,000.

Today the ultimate cost of the war is unpredictable, but to date we have appropriated and authorized \$75,000,000,000 for national defense. This is only the beginning. Every dollar now added to the public debt without imperative defense need makes it more difficult for America to meet post-war-period problems in both domestic economy and foreign trade.

In this titanic world struggle with totalitarian forces, democracies must not only conquer, they must preserve their democratic system. That means the preservation of solvent government. National solvency—difficult in this emergency and so essential to the preservation of the democratic system—is of no necessary concern to totalitarian governments.

Necessary expenditure of billions for national defense has changed abruptly the reasons and advisability for continuing certain agencies, services, and functions of Government.

Amounts expended for defense soon will be so large as to obviate much of the necessity for spending in relief and other items for which the committee recommends elimination or reduction.

Judged by national income, estimated at \$105,000,000,000, 1942 will be the most prosperous year in American history. This may be compared with the national income of approximately \$82,000,000,000 in 1929. That is one reason to believe that much of the relief expenditure continued from the so-called depression years now can be eliminated. Continuation of public works and some other types of projects during the war emergency would require diversion of vital man-power and materials from defense to nondefense projects.

The Federal Government alone must pay the cost of national defense. For years the Federal Government has been carrying a

heavy load of State and local responsibilities. The committee believes that during this emergency the States and localities should reassume, where necessary, responsibilities historically theirs.

THE FUTURE PROGRAM

In general, the committee will continue its investigation as follows:

1. It will continue its examination of all Federal expenditures to determine where further curtailment or elimination of expenditures can be made, in the light of defense needs, increasing industrial production and employment, and other factors.

2. It will examine further and in detail the activities of the departments and agencies of the Federal Government to determine whether all functions performed by departments and agencies are essential under existing conditions, whether duplications and corresponding functions can be consolidated, and the extent to which contraction can be substituted for expansion.

3. It will scrutinize Government-owned corporations to determine whether present loan policies are advisable in view of changed conditions, whether loans are being made efficiently, with proper regard to security, repayment, and other terms, and whether salaries and expenses of such corporations are reasonable.

4. It will examine purchasing, classification, salaries, transportation, publicity, and other items of expense and practice to determine whether they are being administered in an economical manner.

5. It will review all permanent agencies in an effort to determine the necessity and the efficiency of their administration and the advisability of more effective controls.

6. It will review defense expenditures and make recommendations for the elimination of waste and inefficiency in administration.

The committee's views on these subjects and possibly others will be embodied in subsequent reports.

RECOMMENDATIONS

1. New adventures

The committee recommends that no new adventures or commitments in public works or costly Government programs be undertaken during the period of the war emergency, except those imperatively necessary to national defense.

The committee cautions against the futility of retrenching in existing nonessential spending and subsequently appropriating for programs or projects that could be deferred until after the emergency.

2. Civilian Conservation Corps, National Youth Administration, Office of Education, Work Projects Administration

The committee recommends that the Civilian Conservation Corps, the National Youth Administration, and the national-defense training activities of the Office of Education be abolished, effective as soon as possible and not later than July 1, 1942, and that there be established in some suitable agency facilities for training persons for work in defense occupations; this activity to be limited strictly to national-defense work and confined to those fields and to numbers to be certified by the Secretary of War and the Secretary of the Navy as necessary for that purpose; also that there be merged in this new program any necessary part of defense training now under the Work Projects Administration as shall be certified by the Secretary of War or the Secretary of the Navy as necessary to national defense; and further that all portions of previously appropriated funds for these agencies now held in reserve by direction of the Bureau of the Budget (totaling \$132,000,000) be covered into the Treasury.

3. Work Projects Administration

The committee recommends that there be appropriated to the Work Projects Adminis-

tration the sum of not more than \$50,000,000 per month for 3 months beginning July 1, 1942. Any work now being carried on by the Work Projects Administration for account of national defense after July 1, 1942, should be carried on under the direction of the War and Navy Departments and the amount here recommended for the Work Projects Administration reduced accordingly.

The committee believes that with defense expenditures constantly increasing, Work Projects Administration appropriations should be on a quarterly basis beginning July 1, 1942, and that as employment increases the quarterly appropriations should be reduced accordingly.

4. Civil departments

The committee recommends that every possible retrenchment be made in the administrative costs of the civil departments and agencies. There has not been sufficient time for the committee to investigate fully these administrative costs. This will be done as promptly as possible.

The Budget Bureau report before this committee estimates that under a plan to reduce Federal nondefense spending \$1,500,000,000, the allotted reduction in regular appropriations to civil departments and agencies would be \$100,000,000. This would reduce total appropriations from \$830,000,000 for civil departments to \$730,000,000.

The cost of publicity activities in the civil departments and agencies is estimated by the Bureau of the Budget to be at least \$30,000,000, and should be carefully reviewed for reductions and eliminations.

5. Agriculture

The committee at this time considered in detail expenditures by the Department of Agriculture, among the regular departments, because of the large programs and far-reaching activities established within and transferred to that Department during the depression period. The committee based its study on material furnished by the Secretary of Agriculture, the Bureau of the Budget and its agricultural examiners, and by Department officials who work with the programs and activities. This study will be continued, and as a partial report the committee now recommends:

(a) Elimination of all land purchases by the Department of Agriculture during the period of the emergency.

(b) Review of administrative costs of the Department of Agriculture and elimination of all unnecessary overhead, and especially the wages and overhead incident to the employment of nearly 100,000 Agricultural Adjustment Administration committeemen.

(c) Reduction of \$100,000,000 in the appropriation for "Exportation and domestic consumption of agricultural commodities" program.

(d) That rates and premiums of the Federal Crop Insurance Corporation be made actuarially sound in a manner to carry losses and that the Corporation be made self-supporting.

(e) Abolition of the farm-tenant program with an annual administrative cost of \$7,122,570 and authorization to borrow \$50,000,000.

(f) Abolition of the Farm Security Administration with \$70,500,000 in direct appropriation and authority to borrow \$120,000,000; its national defense activities, to the extent that they are necessary, to be transferred to some more suitable agency.

(g) Deferment of rural electrification expansion to the extent that it conflicts with national-defense priorities on materials.

6. Federal highway and public works

The committee recommends that during the emergency one-half of the Federal highway appropriations and authorizations be deferred, at a saving of \$64,000,000.

The committee believes all appropriations and authorizations for all public works, including Federal dams, flood control, reclamation projects, and public buildings not directly essential to national defense should be deferred until after the emergency.

Such appropriations and authorizations, including highway funds, total approximately \$160,000,000. These items immediately should be reviewed carefully.

7. Reserves impounded

The committee recommends that all funds impounded by the Bureau of the Budget from previous appropriations and held in reserve now be covered back into the Treasury.

The committee recommends that legislation be enacted which would authorize the Director of the Budget to set up reserves out of any future appropriation, at such items and in such amounts as the Director may determine.

8. Government corporations

The Government, more and more, is relying upon the thirty-odd Federal corporations for financing both defense and nondefense operations. Most of the funds thus used, amounting to many billion dollars, are not subject now to the usual budgetary and audit control, nor does Congress have control over disbursements of funds through these corporations, except in blanket authorizations. Receipts derived from collections on loans made by these corporations return to their credit. They are subject only to control by the corporations themselves outside of any congressional jurisdiction.

These corporations already have authorization substantially to obligate the credit of the Government. These obligations constitute an indirect Federal debt to the extent that they are guaranteed by the Federal Government and that they are not met by the institutions themselves.

The committee recommends coordination of these corporate activities; legislation subjecting the corporations to budgetary and audit control; and that Congress assume tangible and direct control over their funds by means of its constitutional appropriating machinery.

The committee will deal with the disbursements of Government corporations and make more specific recommendations in subsequent reports.

TABULAR RECAPITULATION

If the specific recommendations by the committee are adopted, the appropriations for the next fiscal year will be less than in the current fiscal year by the following amounts:

Civilian Conservation Corps (abolished)	Savings \$246,960,000
National Youth Administration (abolished) (nondefense)	91,967,000
Work Projects Administration (present appropriation \$875,000,000 annually). Recommendation for quarterly appropriation including defense activities for first 3 months of next fiscal year of \$50,000,000 monthly and further reduction as employment improves due to defense expenditures should save at least for the year	400,000,000
Agriculture:	
Deferment of land purchases	3,000,000
Savings in overhead expenses of Department as indicated	50,000,000
Reduction in appropriation for exportation and domestic consumption of agricultural commodities	100,000,000
Farm-tenant program (abolished) (cash)	7,122,000

Agriculture—Continued.

Farm-tenant program (abolished) (loan authorization cancellation).....	<i>Savings</i> \$50,000,000
Farm Security Administration (abolished) (cash).....	70,500,000
Farm Security Administration (abolished) (loan authorization cancellation).....	120,000,000
Public works and Federal highway: One-half deferment in public roads.....	64,000,000
Other public works:	
Deferment of public buildings for nondefense.....	43,164,000
Deferment of Department of the Interior items.....	26,727,000
Deferment of rivers and harbors and flood control items.....	27,835,000
Cash savings.....	1,131,075,000
Cancellation of loan activities.....	170,000,000
Total.....	1,301,075,000

In addition, if funds impounded by the Director of the Budget were covered into the Treasury by legislative action, as this committee recommends, there would be immediate savings of \$415,890,061.

These savings specifically recommended are partial in scope and leave a field of economies in which further substantial reductions will be recommended.

In the field for future investigation by this committee, where no recommendations are as yet made, are reductions in administrative costs of civil departments as referred to above and noted by the Director of the Bureau of the Budget in his report to the Senate Finance Committee. The committee has lacked time for investigation into many other expenditures which are and will be under study.

The committee is deeply grateful, especially for the cooperation of Hon. Henry Morgenthau, Jr., the Secretary of the Treasury, and Hon. Harold D. Smith, the Director of the Bureau of the Budget, as members of the committee, and for the expert information which they have made available to the committee. The committee is grateful also for the cooperation of the heads and officials of the various departments in the committee's deliberations.

This preliminary report is based upon the great amount of factual information, testimony, and other documentary evidence which will be incorporated from time to time in additional forthcoming reports.

Harry F. Byrd, chairman, member Senate Finance Committee; Robert L. Doughton, vice chairman, chairman House Committee on Ways and Means; Henry Morgenthau, Jr., Secretary of the Treasury (subject to qualifications as stated in his letter, which is attached); Carter Glass, chairman, Senate Committee on Committee on Appropriations; Walter F. George, chairman, Senate Committee on Finance (see attached comment); Kenneth McKellar, Democratic ranking member, Senate Appropriations Committee; Clifton A. Woodrum, Democratic ranking member, House Appropriations Committee; Thomas H. Cullen, Democratic ranking member, House Ways and Means Committee; Allen H. Treadway, Republican ranking member, House Ways and Means Committee; John H. Taber, Republican ranking member, House Committee on Appropriations; Gerald P. Nye, Re-

publican ranking member, Senate Committee on Appropriations (approves recommendations 1, 2, 3, 4, 6, 7, and 8, but makes exception to recommendation 5. See attached comment).

Senator GEORGE's comment:

"In my opinion the defense activities of the National Youth Administration and educational activities relating strictly to defense activities in the Bureau of Education should be continued in the agencies respectively unless a substantial saving could be made by combining the two."

Senator NYE's exception:

"I take exception respecting recommendation No. 5, relating to reductions in the Department of Agriculture.

"While I am confident that large savings can be accomplished in that Department, I am not ready to recommend just where and in what amount the savings shall be undertaken, without chance for searching study of the subject of effect in each recommended reduction.

"We must keep agriculture strong and ready for the adjustment that must follow the war. When we let agriculture down during and after the last war, we contributed largely to the economic break-down which finally encompassed the whole country. We must not repeat that experience."

Congressman CLARENCE CANNON, chairman of the House Appropriations Committee, participated actively in the preparation of the report, and was unexpectedly called home. The opportunity was not available to present the report to him for signature.

TREASURY DEPARTMENT,

Washington, December 22, 1941.

HON. HARRY F. BYRD,

Chairman, Joint Committee on Reduction of Nonessential Federal Expenditures, United States Senate.

MY DEAR SENATOR: I am willing to sign the report of the Joint Committee on Reduction of Nonessential Federal Expenditures subject, however, to my disagreement with the recommendations under "Agriculture." I disagree with the recommendations with respect to agriculture and in lieu of the recommendations contained in the committee's report, I desire to suggest the following:

When I appeared before the committee on November 14, I stated that expenditures included in the Budget under the farm program which was initiated in 1933, after the catastrophic fall in prices in 1932, were designed mainly to meet conditions involving low prices for farm products, surplus production, and loss of export markets. Present conditions are radically different from those which the farm program was designed to meet. It is estimated that in 1941 the farmer's share of the national income will be 20 percent greater than in 1932, notwithstanding a reduction of almost 10 percent in the proportion of the farm population to the total population of the country. Although governmental aid was necessary in order to bring the farmer's net income from \$3,250,000,000 in 1932 up to \$8,500,000,000 or more in 1941, certainly after having reached this goal there does not appear to be any reason to continue spending at the same rate. The farmer is getting his share of the total expenditures made by the Government, as the increase in his net income indicates. In addition, there are substantial benefits that will accrue to the farmer from the land-lease program.

In view of all these circumstances I feel at this time that we should make drastic cuts in our agricultural expenditures and I would recommend that the Secretary of Agriculture be required to operate the agricultural program included in the Budget with an annual appropriation of \$500,000,000 less than authorized for the current fiscal year.

With respect to that part of the agricultural program carried on with funds borrowed

from the Reconstruction Finance Corporation, I would want the committee to make a more thorough investigation of these activities before I make any definite recommendation for reductions in the amounts available for this purpose.

I also raise a question about the recommendation (par. 1 of item No. 7, "Reserves impounded") to cover into the Treasury all reserves set up by the Bureau of the Budget. Reserves are set up primarily to meet unforeseen contingencies and to avoid deficiencies. Many times these reserves result in large savings. It seems to me that if a general recommendation of this kind is adopted it would defeat the very purpose for which reserves are created.

Sincerely yours,

HENRY MORGENTHAU, JR.,
Secretary of the Treasury.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., December 23, 1941.

HON. HARRY F. BYRD,

Chairman, Joint Committee on
Reduction of Nonessential
Federal Expenditures,
United States Senate.

MY DEAR SENATOR: While I have cooperated with the committee by making available the facilities of the Bureau of the Budget, in view of my position as head of the Bureau and my official participation in the preparation of the President's forthcoming 1943 Budget to be submitted January 3, I obviously cannot join in a report which may contain recommendations at variance therewith.

Sincerely yours,

HAROLD D. SMITH,
Director.

Mr. BYRD. Mr. President, with respect to the Farm Security Administration, let me say that the committee was in session for nearly 12 hours on this one agency, the Farm Security Administration, and those in favor of its continuance had 6 hours and 19 minutes, and those opposed had 5 hours and 15 minutes.

At this point, Mr. President, I ask unanimous consent to insert in the Record two resolutions, one adopted by the National Grange at its seventy-fifth annual session at Worcester, Mass., November 12-21, 1941; and the other by the American Farm Bureau Federation at its twenty-third annual convention at Chicago, Ill., December 11, 1941.

There being no objection, the resolutions were ordered to be printed in the Record, as follows:

RESOLUTION ADOPTED BY THE NATIONAL GRANGE AT ITS SEVENTY-FIFTH ANNUAL SESSION AT WORCESTER, MASS., NOVEMBER 12-21, 1941

12. Unnecessary nondefense spending must be eliminated because of increased demands upon tax-paying ability.

RESOLUTION ADOPTED BY THE NATIONAL COUNCIL OF FARMER COOPERATIVES AT THEIR FOURTEENTH ANNUAL MEETING AT ATLANTA, GA., JANUARY 12, 1942

Eliminating nonessential Federal services

In the interest of conserving all available strength of our Government as to facilities, services, and personnel, for maximum application to the needs of our program, we urge that agricultural cooperatives join all other interests in foregoing services of such nature, not of immediate necessity, during the present emergency; and urge that present governmental activities along the above lines be reviewed with the purpose of possible curtailments for the duration.

RESOLUTION ADOPTED BY THE AMERICAN FARM BUREAU FEDERATION AT ITS TWENTY-THIRD ANNUAL CONVENTION AT CHICAGO, ILL., DECEMBER 11, 1941

Nondefense spending and economy

In view of the great expansion of all Government bureaus, and since the emergencies for which many were set up have largely decreased or ceased to exist, we recommend that the activity of such agencies and bureaus as have served their major function, be curtailed in proportion to the reduction in necessity for the work they have been performing.

The mounting public debt and the necessities of war require that every administrator of Government be unusually zealous in his efforts to eliminate waste, extravagance, duplication, and unnecessary expenditure.

Agriculture is setting the example by reducing substantially its request for appropriations in line with the improvement in agricultural conditions. It calls upon all economic groups and all administrators responsible for the expenditure of public funds to seek through every legitimate means, the highest degree of efficiency and economy.

Mr. BYRD. Mr. President, from April 8, 1935, to December 31, 1941, the Farm Security Administration and its predecessor agencies made loans in the rural-rehabilitation program of an aggregate of \$576,765,000, and gave away \$137,326,000 in grants; a total of loans and grants in the amount of \$714,092,000.

In addition, during this period from April 8, 1935, to December 31, 1941, \$275,861,000 was expended by the F. S. A. for personnel and other expenses, making a total expenditure by this agency of loans, grants, and administrative expenses of nearly \$1,000,000,000.

Mr. President, the question is, Can the results obtained possibly justify the continuation of such huge appropriations? There is no agency of the Government, so far as I am aware, which has so high a percentage of overhead or administrative cost as the Farm Security Administration.

The Senate Appropriations Committee wiped out all the economies adopted by the House with respect to the Farm Security Administration.

With respect to the farm-tenant program, the House reduced the funds for loans to farmers to \$25,000,000 compared to \$40,000,000 which was proposed in the 1943 Budget, and \$50,000,000 provided in 1942. The House reduced the funds for administrative expenses for this program to \$1,250,000 compared to \$2,500,264 proposed in the 1943 Budget, and \$2,488,912 provided for 1942. The Senate Appropriations Committee increased the funds provided for farm-tenant loans to \$40,000,000, and the fund for administrative expenses to \$2,000,000. With respect to the so-called Rural Rehabilitation Program, the House reduced the funds for loans to farmers to \$70,000,000, compared to \$75,000,000 originally proposed for the 1943 Budget, and \$120,000,000 provided for 1942. The House reduced the funds for expenses and grants to farmers to \$25,000,000, in round figures, plus the \$5,000,000 in unexpended balances, compared to \$50,000,000 proposed in the 1943 Budget, plus \$5,000,000 unexpended balances, and \$64,000,000 available for 1942, plus six and one-half million dollars in unexpended balances.

The Senate Committee on Appropriations restored the funds for expenses and grants to \$50,319,000, plus \$5,000,000 unexpended balances, of which \$10,000,000 is budgeted for grants, and the remaining \$45,319,000 is available for expenses. The committee made available for rural-rehabilitation loans a total of \$125,000,000.

The F. S. A. is in effect a W. P. A. for the farmers, although W. P. A. is still operating in the farming areas of the country, and in some instances, at least, some farmers obtain relief from the W. P. A. and likewise obtain relief from the F. S. A.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. PEPPER. I know the able Senator from Virginia has made a careful study of this problem. I wonder what his investigation has disclosed relative to the benefits which the Farm Security Administration renders to the individual farm family. What is the kind of work it does?

Mr. BYRD. I will come to that a little later, if the Senator will permit me.

Mr. AIKEN. Mr. President, will the Senator yield for a question?

Mr. BYRD. I yield.

Mr. AIKEN. I believe the Senator from Virginia said the loans had been about \$500,000,000 between 1935 and 1939. I wonder if the Senator has any information as to the amount which has been repaid from those loans?

Mr. BYRD. I shall furnish that in a few moments.

Mr. AIKEN. I happen to know that in my own State about 50 percent approximately—it may vary 1 or 2 percent one way or the other—has been repaid, so that \$500,000,000 cannot be considered as an amount given to farmers who have been in distress.

Mr. BYRD. That figure was the figure of the loans. The grants represented \$137,326,000. That amount represents straight gifts.

Mr. AIKEN. Yes; the \$137,000,000 represents outright gifts.

Mr. BYRD. I think the amount of loans outstanding as of this time is approximately \$550,000,000.

Mr. RUSSELL. Five hundred and sixty-four million dollars.

Mr. AIKEN. But the figures the Senator gave with respect to the years 1935 to 1939, as I recall—

Mr. BYRD. The balance of the loans outstanding, as the Senator from Georgia said, and it is my recollection also, is about \$564,000,000.

Mr. AIKEN. That includes loans which have been made in the last 2 or 3 years. I expect that, like in any other banking business, although perhaps not to so great extent, loans are made here which are being repaid from year to year, so that there will be this amount outstanding.

Mr. BYRD. But the outstanding loans represent approximately the figure I gave the Senate.

Mr. AIKEN. Is not that true of other lending agencies? Is not that true of

the local banks also? They have outstanding loans of about the same amount year after year.

Mr. BYRD. The outstanding loans today are \$564,000,000.

Mr. RUSSELL. The total amount of loans that were made up through January 31, 1942, is approximately \$600,000,000. Repayment of \$255,000,000 has been made.

Mr. BYRD. But the outstanding loans now are about \$564,000,000.

Mr. RUSSELL. The amount actually repaid is \$255,000,000.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. PEPPER. Has the Senator figures as to the percentage of repayment of matured loans which has occurred?

Mr. BYRD. I am coming to that part of the presentation in a moment, if the Senator will permit me.

Mr. AIKEN. Mr. President, will the Senator again yield?

Mr. BYRD. I yield.

Mr. AIKEN. Does the Senator from Virginia know how many of the beneficiaries of the W. P. A. appropriations have repaid their benefits?

Mr. BYRD. I cannot give that figure.

Mr. AIKEN. I think the repayment of loans made by the Farm Security Administration reflect distinct credit on that class of farmer which is supposed to be the poorest class of farmer. The fact that those farmers try to repay their loans and have repaid about one-third of them, reflects great credit upon them.

Mr. BYRD. I call the attention of the Senator to the fact that it is absolutely impossible to ascertain what loans have been repaid out of the operation of the farms, because the grants are made to the same clients who obtain the loans. If the Senator will permit me, I should like to discuss that question later.

The real justifiable need for continuing the type of relief assistance extended by the Farm Security Administration has, to a large extent, ceased.

During the depth of the depression, when there was a large amount of unemployment in the cities, extremely low prices, low farm incomes, and a surplus of labor backed up on the farms, some kind of relief assistance was needed temporarily to prevent destitution and to assist persons in becoming self-supporting.

Today we have an entirely different situation. The total national income is the largest in the history of our Nation. There is an acute shortage of labor in the factories and on the farms. Total cash farm income in 1941 amounted to \$11,771,000,000, and for 1942 it is estimated that cash farm income will reach a level of approximately \$13,800,000,000—the highest on record except for the year 1919.

If there ever was a time when we could dispense with relief assistance, such as provided through the rural rehabilitation loans and grants of the F. S. A., it is now. Certainly there is no justifiable reason for continuing the enormous expenditures at the high levels at which they

have been carried heretofore. If this agency has been as successful as its proponents claim, then it seems strange indeed, after more than 7 years of enormous outlays, over \$1,000,000,000, that this agency should continue to require more and more field employees, more and more money for travel expenses, and still

greater appropriations for rehabilitation loans.

The table before me compares the total funds appropriated or allocated to the F. S. A. from 1935 down to date, the total number of permanent employees, and the total expenditures for this purpose, the total money loaned to farmers, the total

amount of outright grants, and the total cash farm income from year to year.

I ask unanimous consent to have the table printed in the RECORD at this point as a part of my remarks.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Expenditures and appropriations of the Farm Security Administration in comparison with farm income

Fiscal year—	Total funds appropriated or allocated to F. S. A. ¹	Total number permanent employees ²	Expenditures for permanent personnel ²	Rural rehabilitation loans ³	Farm tenant loans ⁴	Grants	Farm income	
							Calendar years	Millions
1935-36	\$218,925,000			\$76,964,940		\$15,343,325	1935	7,615
1936-37	204,118,153	13,285	\$20,461,949	74,501,314		34,929,939	1936	8,571
1937-38	170,107,473	9,786	15,262,708	70,194,682	\$8,992,659	23,094,868	1937	9,176
1938-39	208,055,484	13,235	20,636,583	119,186,607	23,622,622	23,603,215	1938	8,130
1939-40	201,875,730	15,467	24,025,312	98,053,943	36,441,370	24,222,075	1939	8,658
1940-41	240,790,407	17,281	28,207,716	125,150,358	48,166,111	17,130,006	1940	9,120
1941-42 estimate	237,236,000	20,452	36,116,359	120,000,000	50,000,000	17,925,000	1941	11,771
1942-43:								
House bill	122,069,557			70,000,000	25,000,000	10,000,000	1942	13,800
Bill as reported by Senate Appropriations Committee	222,819,557			125,000,000	40,000,000	10,000,000		

¹ Direct appropriations allocations from emergency relief funds, and authority to borrow from the Reconstruction Finance Corporation. No attempt was made to adjust from reappropriations and funds returned to the Treasury.

² Compiled from the Budget. Since recent Budgets contain more complete data on Farm Security Administration than those for earlier years, the data for 1936-37 and 1937-38 may not be entirely comparable with that for later years.

³ 1935-36 to 1940-41 figures are from p. 282, pt. 2, of the hearings on the 1943 agricultural appropriation bill.

⁴ 1937-38 to 1940-41 figures are from p. 190, pt. 2, of the hearings on the 1943 agricultural appropriation bill.

⁵ Assuming that all of the cut made by the House was in funds for salaries and other expenses.

Mr. BYRD. This table shows very strikingly that the total number of employees and the total expenditures for employees have been greater in recent years, when the need was much less, than was the case in the more difficult years of 1935, 1936, and 1937.

For example, in the year 1936-37, when farm income was only \$8,571,000,000 and when there was a great amount of suffering in the Great Plains area, due to the succession of disastrous droughts, the total funds appropriated or allocated to the F. S. A. amounted to \$204,118,153, of which \$74,501,314 was available for rural-rehabilitation loans, and no funds were available for farm-tenant loans. In those difficult years, when farmers were far more needy than they are today, F. S. A. had 13,285 permanent employees at a cost of \$20,461,949.

By the fiscal year 1941, when farm income was in excess of \$9,000,000,000, the total funds appropriated or allocated to the F. S. A. aggregated \$240,790,407, of which \$125,150,358 was available for rural rehabilitation loans, and by that time the F. S. A. had built up its permanent personnel to a total of 17,281 employees at a cost of \$28,207,716.

I think the farm tenancy part of the Farm Security Administration has fewer defects in its administration and is much more valuable than the rehabilitation part of the program. The farm tenancy part has already been passed upon by the Senate.

In the fiscal year 1942, after farm income had advanced to a level of \$11,771,000,000 in the calendar year 1941, the F. S. A. was given a total of \$237,236,000, which was \$33,000,000 more than it had in the fiscal year 1936-37, and the F. S. A. increased its permanent personnel to 20,452 employees at a total cost of \$36,116,359.

To some extent this is regarded as one of the minor agencies of the Govern-

ment. It has 20,452 employees, at a total cost for personnel of \$36,116,315.

Now, when it is estimated that farm income in the calendar year 1942 will reach \$13,800,000, it is proposed in the Budget for the fiscal year 1943 to spend in expenses, loans, and grants \$222,000,000. The 1943 Budget also would provide this agency with 20,489 permanent employees, at a cost of \$36,536,378, the largest number and the greatest expenditure that this agency has ever had for this purpose. The bill as reported by the Senate Appropriations Committee would continue the same high level of funds for rural rehabilitation loans as in 1942, and the largest number of employees in the history of this agency.

Is the F. S. A. a war agency? I submit that it is not, and that a much greater contribution can be made toward increasing the food supply of the country, at far less cost, through other means. I read to the Senate one of many communications which the committee, of which I have the honor to be chairman, has received with respect to that question. This is a telegram from Mr. Hamner Cobbs, editor of the Greensboro Watchman, at Greensboro, Ala.:

GREENSBORO, ALA., April 23, 1942.

Senator HARRY BYRD,

Washington, D. C.:

Urban newspapers pleading for restoration of Farm Security appropriation cuts on basis of clients needed to produce food. Black belt of Alabama can offer congressional investigators hundreds of cases of proof that Farm Security Administrator program not only failing to produce food in quantity but actually retarding food production by supporting army of Negroes in virtual idleness and bringing on acute labor shortage for farmers who are really trying to turn out food for armed forces. If Congress doesn't believe this let it send representatives south who can see for themselves.

GREENSBORO WATCHMAN,
HAMNER COBBS.

The esteemed Presiding Officer of the Senate, Vice President WALLACE, then Secretary of Agriculture, in his 1940 annual report, on page 108, in speaking of the number of farmers receiving additional aid through the rehabilitation program, said:

This increase has not added materially to the production of commercial crops. It has chiefly augmented production for consumption on the farms.

Any one who sees the equipment which is given to the farmers must see that the main result is to produce food for consumption by farmers who live on the farms, and who obtain this relief.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. PEPPER. What is the date of the report to which the Senator refers?

Mr. BYRD. It was the 1940 annual report.

Mr. PEPPER. That related to the previous fiscal year, did it not, from 1939 to 1940?

Mr. BYRD. It was for the year 1940.

Mr. PEPPER. I was wondering if that was not a period when we had farm surpluses generally in the country as a whole. Naturally the emphasis of the Farm Security Administration was upon making the various farm families self-supporting. Its efforts were aimed at raising their standard of nutrition and living by making them more self-supporting on the farms upon which they lived. That does not at all negative the wisdom of the recommendation of the Bureau of the Budget and of the President that such families be now used, at a time when there is a tendency toward a shortage of foodstuffs, to make it possible to produce surpluses to meet the national and international demand. I do not think it is quite fair to use as a standard of comparison a period of peace

in relation to a recommendation pertaining to a time of war.

Mr. BYRD. I think the Secretary had in mind the objectives of the program as it then was.

In the testimony of Mr. Baldwin before the committee on this point the Senator from Tennessee [Mr. McKellar] asked him whether or not the Farm Security Administration received any appropriation for so-called defense work [reading]:

Senator McKellar. I see another question here: It is marvelous to me.

The question is:

"Has Farm Security Administration received any appropriation for so-called defense work?"

And here is your answer:

"The Farm Security Administration has not received any direct appropriation for defense work, but, as indicated above, has participated in defense housing activity by designation of the Federal Works Administrator and of the President, respectively."

Is that your answer?

Mr. Baldwin. Yes, sir; that is the answer we gave.

Senator McKellar. But you haven't had any direct appropriations at all. Are you asking for them? If you are not, I believe you are the only official in the Government that is not asking for extra appropriations on account of the defense activity, whether they have any work in connection with defense or not. Have you asked for it?

Mr. Baldwin. No, sir.

The point I wish to make—and I shall try to elaborate on it later—is that the equipment given the farmers is not sufficient to make possible any large production of crops, as I shall attempt to show later. The loans are limited in amount.

Mr. PEPPER. Mr. President, will the Senator further yield?

Mr. BYRD. I yield.

Mr. PEPPER. As I understand, in a supplementary request to the Appropriations Committee the Bureau of the Budget recommended that the Reconstruction Finance Corporation make available \$105,000,000 for the Farm Security Administration. No doubt if that recommendation of the President had been carried out it would have been possible for many farmers to have received equipment the absence of which has handicapped their efforts in the past.

Mr. BYRD. In my judgment, other agencies of Government could very much more effectively accomplish that purpose.

I ask unanimous consent to have printed in the Record at this point a statement from the committee with respect to what it regards as the unwarranted claims of the F. S. A. as a war agency.

There being no objection, the statement was ordered to be printed in the Record, as follows:

UNWARRANTED CLAIMS OF FARM SECURITY ADMINISTRATION AS A WAR AGENCY

The Farm Security Administration, confronted with the prospect of losing most of its clients because of the greatly improved economic situation, is now trying to perpetuate its pay rolls and its bureaucracy by posing as a war agency.

In support of the request of the President for the supplemental appropriation for

Federal Security it was stated that these additional funds were needed to provide credit to farmers to secure increased production of food in the food-for-freedom program as a part of the war effort. It is very significant, however, that the language suggested to be added to the appropriation bill—while appearing to provide funds for the specific purpose of increasing the production of food for the war effort, specifically provided that these additional sums shall be expended "for the same purposes and to be available for the same objectives and to be expendable under the same conditions" as provided in the regular rural rehabilitation loan and grant program.

Under this program the scope of authority is so broad that apparently the Farm Security Administration can loan money to farmers for almost any purpose under the sun. The word "rehabilitation" is construed so broadly by the Farm Security Administration that it apparently can give almost anything that Mr. Baldwin and his employees believe is necessary to the rehabilitation of their clients. When Mr. Baldwin was before our committee, he admitted that he would approve as allowable items of expense as a basis for rural rehabilitation loans such items as movie tickets, lodge dues, poll taxes, gasoline for running an automobile, etc., on the theory—according to Mr. Baldwin—that "these items are the normal cost that go toward living in a democracy." Mr. Baldwin did not say whether these items are specifically included in the allowable budget which must be approved by the Farm Security Administration and on which the loans must be based to balance the client's budget, the end result is the same. The loan is made for the purpose of balancing the Budget which is made out and approved by the employees of the Farm Security Administration.

At this point I would like to insert in the record the following excerpt in the hearings of our committee. (Hearings, Joint Congressional Committee on Reduction of Nonessential Federal Expenditures, pp. 718-719.)

I would like to call attention also to the fact that the report of the Senate Appropriations Committee, in providing additional funds for the program of rural rehabilitation loans and grants, states that these additional funds are to be used "for food production and rehabilitation." If these additional funds are so vitally needed to secure increased food production, why were they not limited in the President's Budget entirely to this purpose? And why were they not limited in the report of the committee entirely to the production of increased food supplies? Under the language of the supplementary estimate submitted by the President and under the language contained in the committee report, every dollar of this money could be used by the Farm Security Administration for all sorts of purposes which it claims under the broad term "rehabilitation," which are far removed from producing increased food supplies.

The plain truth of the matter is, that the Farm Security Administration has seen the handwriting on the wall, that its work as a relief agency is playing out because of the improved conditions in agriculture and in the country generally; they have found it increasingly difficult to expend the large appropriations which Congress has hitherto provided, so much so that they have had to go out and use high-pressure methods to solicit clients and importune them to get on the Government and accept loans and even outright grants of money. Our committee found at its investigation repeated instances where low-income farmers had been heavily burdened with debts far beyond their ability ever to repay. I don't want to take the time

to get into this point but later on I expect to show how this agency has had to resort to high-pressure methods to expend its appropriations.

Confronted with this situation, the Farm Security Administration, just like most of the other temporary relief agencies, then looked around for new fields to invade. They saw the day coming when the public would demand the curtailment of all expenditures that are not essential to the war effort, and so they began to devise ways and means by which they could be classified as a war agency. When it became evident that public sentiment for the curtailment of nonessential expenditures had become so overwhelming that Congress was going to drastically curtail the expenditures of this relief agency, they then devised this scheme to maintain and even greatly expand their pay rolls and expenditures. Now we are told that this agency is vitally necessary to the winning of the war.

The absurdity of this claim is evident from the review of the record and the facts that are available to anyone who will take the time to investigate. If this agency were so vitally necessary to the winning of the war, strange indeed that this request for increased funds for food production was not submitted to Congress until after the appropriations for the Farm Security Administration had been curtailed, notwithstanding the fact that the Secretary of Agriculture announced the increased production goals in the food-for-freedom program on September 8, 1941, more than 8 months ago; and he announced the revised goals for increased farm production on January 16, 1942, more than 5 months ago.

If this agency was so vital to the attainment of the increased production of food in the food-for-freedom program, why did the Budget Bureau in its recommendations to Congress, submitted by the President on January 5, nearly 4 months after the original production goals had been announced by the Department of Agriculture, recommend a reduction of \$45,000,000 in the funds for rural rehabilitation loans to farmers? If the need was so great and if this agency was so vital, it is strange indeed that the Budget Bureau should then recommend such a substantial reduction in the funds for loans.

Furthermore, both the Secretary of Agriculture and the Farm Security Administration Administrator appeared before the House Appropriations Subcommittee on January 30, and again on February 12, in support of the Farm Security Administration appropriations, and neither of them at that time made any request for such a supplemental appropriation, although in defending the Farm Security Administration appropriations they used the argument that this agency was an important factor in promoting the food-for-freedom program. Furthermore, the House Appropriations Committee, after giving very extensive consideration and thoroughly reviewing all of the testimony, made a further reduction in the funds for rural rehabilitation loans from \$75,000,000, which was recommended by the Budget, to \$70,000,000. Evidently the House Appropriations Committee did not believe any additional funds were needed to produce increased food when it approved a reduction in the funds.

Later, the House of Representatives, after further extensive debate and consideration of the needs of the Farm Security Administration, reduced its appropriations for salaries and expenses.

When the House sharply reduced the funds available for personnel and expenses, the Farm Security Administration became thoroughly alarmed. They evidently decided that offense is the best defense to save their appropriations and so we are now confronted with a request for a large increase in funds

to this agency in the name of the war effort, presumably that this will result in the restoration of enough funds so that they can maintain their enormous bureaucracy intact.

Let us not be deceived by this smoke screen which this bureaucracy has thrown up to conceal the real issues involved. The truth of the matter is, there is no need for any increased funds to the Farm Security Administration to promote the increased production of food. It is claimed that these increased funds are needed in order to provide credit to low-income farmers who cannot obtain the credit they need to produce additional food. Perhaps the best refutation to the validity of this claim is the statement of the United States Department of Agriculture itself in an official release to the press issued on March 9, 1942, which stated:

"Reports to Farm Credit Administration also indicate that farmers generally are using more short-term production credit than in recent years, due largely to their greater efforts to produce food for defense, but that lending facilities throughout the Nation are adequate to meet all of their needs."

This release was issued by the Department of Agriculture 2 months after Secretary Wickard's revised food production goals were announced on January 16, and 5 months after the original production goals were announced on September 8.

The American Farm Bureau Federation, which is the largest and most widely organized national organization of farmers, had its economists examine the validity of the claim that the Farm Security Administration rural rehabilitation loan program is vitally essential to the attainment of the production goals in the food for freedom program. This analysis showed that these claims are entirely unwarranted. At this point I would like to insert in the record an excerpt from a letter submitted to the Senate Appropriations Committee by Edward A. O'Neal, president of the federation, opposing this supplemental increase and exposing the fallacy of these claims.

I also wish to insert in the record a summary of this analysis made by the Farm Bureau's chief economist which shows that the States where farm income is the lowest and where the income of Farm Security Administration clients is the largest have been asked to contribute very little of the needed increase in the production of most food crops.

Mr. LUCAS. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. LUCAS. In view of the assertion made by the distinguished Senator from Florida with respect to farm equipment which is to be received by tenants who are to get the benefit of this appropriation for the Farm Security Administration, I should like to make one observation.

For some time I have attempted, through the War Production Board, to obtain an increase in priorities so far as farm implements are concerned. I do not know what the figures show at this moment. The latest information I have is that farm implements had been reduced to 80 percent of the amount available last year. They are presumed to be primarily for the farmers who raise the basic commodities of this country. I am wondering just what is to happen in connection with farm machinery to take care of the farmers about whom the Senator from Florida was speaking, in view of the priority situation which exists in

the War Production Board at the present time. In other words, it seems to me that we have a very peculiar situation. We have the Secretary of Agriculture asking for more food to be produced in this country, and contending that that will win the war, while on the other hand we have the War Production Board cutting down on the priorities for farm machinery, which is so indispensable and essential in the preparation of the basic crops. I simply want to pass on that information for whatever it is worth.

Mr. BYRD. I think the Senator from Illinois is entirely correct in what he says. I happen to be in the farming business, and it is becoming increasingly difficult day by day for the farmers to get even the most ordinary farm equipment, and especially they have difficulty in getting parts with which to repair their farm equipment.

Mr. President, of course I do not want to hold the Farm Security Administration up to a very high standard of perfection, but I do say that some of the activities of that organization should not be approved by Congress. I have in my hand information and affidavits relative to solicitation of clients in order to expand the appropriations. I do not think that any department of this Government should send out agents to solicit people to receive what that agency offers. I think that requests for aid should come from the people themselves.

Instead of the need for increased funds for the F. S. A., there is abundant evidence to show that in many areas, at least, F. S. A. employees have resorted to high-pressure methods, including the assignment of quotas and the widespread solicitation of clients, in order to expend their appropriations.

For example, an affidavit of Mr. W. D. Bynum, former Farm Security Administration assistant rural rehabilitation supervisor in Jackson County, Ala., stated that Mr. E. S. Morgan, regional director of the F. S. A., in a bidistrict meeting of F. S. A. employees at Huntsville, Ala., told them that "regardless of the reason for which clients had been dropped from the program in the past, it would be the duty of the supervisors to contact every one of them and offer them a new loan. He said that if they owed a thousand dollars and had no collateral, it would make no difference in getting a new loan approved."

In another affidavit, one of S. L. Griffin, assistant county rural rehabilitation supervisor in Hale County, Ala., it was stated:

Mr. Morgan further stated that he would have other fights to hold our appropriations. Mr. Morgan said that those on the program at this time plus those who had been dropped were equal to about one-seventh of all farm families in the region. He stated that Farm Security Administration was now authorized to reinstate all of those former clients who had been dropped. He said these should become qualified voters, and that any client who wished to borrow money from Farm Security Administration for the payment of poll taxes could do so. Mr. Morgan said that we would have that many more voters.

During the hearings of the Joint Committee on Reduction of Nonessential Federal Expenditures, considerable evidence was offered showing the widespread solicitation of clients and the assignment of quotas for the expenditure of F. S. A. funds. This evidence revealed the use of high-pressure methods by F. S. A. officials to get their employees to produce more business. I have in my hand a memorandum which summarizes this evidence, and I ask unanimous consent that this report on the part of the committee be printed in the RECORD as a part of my remarks.

There being no objection, the report was ordered to be printed in the RECORD, as follows:

ASSIGNMENT OF QUOTAS AND SOLICITATION OF CLIENTS BY FARM SECURITY ADMINISTRATION

Instead of Farm Security Administration funds being insufficient to meet the needs for rural rehabilitation, as claimed by Farm Security Administration officials, conclusive evidence has been obtained indicating that, in some areas at least, Farm Security Administration employees have engaged in widespread solicitation of clients to accept Farm Security Administration loans and grants and that quotas have been assigned to Farm Security Administration supervisors which they are expected to reach in order to expend the funds available to Farm Security Administration.

An investigation of the Farm Security Administration in Alabama, Louisiana, Mississippi, and Arkansas, by Mr. William G. Carr, a trained and reputable investigator employed under the direction of Mr. Donald Kirkpatrick, general counsel of the American Farm Bureau Federation, early in 1942, revealed widespread solicitation of clients and assignment of quotas. The reports of Mr. Carr, together with a summation of the reports of other investigators who assisted Mr. Kirkpatrick in the Farm Bureau investigation of the Farm Security Administration in several Midwestern States, were presented to the Joint Congressional Committee on Reduction of Nonessential Federal Expenditures during its hearings on February 10, 1942, by Mr. Kirkpatrick. Additional reports were submitted later by Mr. Carr to Mr. Kirkpatrick reporting further findings obtained later in Alabama and also his findings in Georgia.

ALABAMA

In Alabama, Mr. Carr reported: "There has been a widespread program of solicitation of clients for rural rehabilitation loans. This is due to the fact that the assistant county supervisor of the Farm Security Administration is given a quota to fill and the only way he can fill this quota is to go out and solicit clients."

"This is done in various ways. The assistant supervisors go to the prospective clients themselves. They also go to the people who are known to lend money to the farm tenants and find out the names of the tenants who are indebted to them. They can then approach the tenants, telling them of the advisability of getting 'on the Government'."

"Some county supervisors go to the local storekeeper and find out who his debtors are and then approach the debtors, asking them to become clients."

Mr. Carr cited several specific cases by way of illustration of these practices in Alabama. Among them were the following:

"One client informed me that when he was solicited to go 'on the Government' he owed \$60, that he could have paid off that \$60 debt, but now he is 'on the Government' he owes

over \$900, and that he doesn't know how he will ever pay it off. * * * He stated that the assistant supervisors of the Farm Security Administration combed the country soliciting Negroes to 'go on the Government.' He told me the name of the man who solicited him. I saw this individual and he admitted that he not only solicited this client but solicited about 30 others as well." (P. 22, transcript of hearings, February 10, 1942, Joint Congressional Committee on Reduction of Nonessential Federal Expenditures.)

In order that there can be no question as to the authenticity of this interview, Mr. Kirkpatrick supplied the name of this person who told Mr. Carr he had solicited these clients; the name was Mr. Brockway, former assistant, Farm Security Administration supervisor, of Hale County, Ala. (P. 22, transcript.)

Another case was cited by Mr. Carr and substantiated by the original letter of W. H. Washburn, dated January 24, 1942, photostatic copy of which was supplied to the House Appropriations Committee, as a further specific illustration, from which the following is quoted from this letter:

"Last summer I was plowing in my field that I rent from Mr. W. N. Cummings, of Suttle, Ala., when Mr. Grady L. Wise, of the Farm Security Administration, came to see me and told me that someone had given him my name as a good prospect to take a farm on a place that the Farm Security Administration had an option on more than 2,000 acres of land that belongs to Dr. R. C. Hanna, and that they were trying to find enough good clients to take the farms on this place, and asked me if I would not come and make an application for one of these farms.

"This I did and was going to take one of them but after some investigation I found that if I did take one of these places that I would be unable to buy a cow, chickens, hogs, or farming implements, nor could I sell any of my farm products or personal property without first going to the Farm Security Administration office and get their permission. To me this amounted to slavery, as I would have signed away all my rights."

Mr. Baldwin attempted to explain away this signed statement by submitting to the House Appropriations Committee an affidavit of W. D. Mims, who states that he was county supervisor of Perry County and that in April 1941, W. H. Washburn came into the office of the Farm Security Administration and "asked whether he would be eligible for a tenant-purchase loan" and he states further that Washburn was asked to put in an application for a loan and that his application was approved by the county committee.

Mr. Baldwin attempted to explain away this signed statement by the following reply which he submitted to the House Appropriations Committee:

"That letter nowhere states that Mr. Washburn was first approached by representatives of the Farm Security Administration."

Yet it is difficult to see how any other interpretation can be drawn from the Washburn letter which states specifically that Farm Security Administration representative, Mr. Grady L. Wise, "came to see me and told me that someone had given him my name as a good prospect to take a farm." If Mr. Washburn's story is correct, then it appears obvious that this visit by Mr. Wise was the initial approach to the prospective client, because of the statement made by Mr. Wise.

Mr. Baldwin admits that Washburn's story is correct but claims that Mr. Carr's interpretation is wrong. The following is quoted further from Mr. Baldwin's statement about this incident:

"The story in Mr. Washburn's letter is correct. The implications which Mr. Carr sought to derive from it are completely unfounded."

But Mr. Baldwin fails to produce any conclusive evidence to refute the plain state-

ment contained in the Washburn letter. Mr. Baldwin sought further to explain away this incident, as follows:

"As far as our records indicate, he came to our county office and asked for an explanation of the tenant-purchase program. After receiving this, he filled out an application. Later he was approved by the county committee. He was then visited by an assistant county supervisor, who advised him that the county committee would certify him if he cared to buy a farm." (P. 784, Hearings, House Appropriations Committee, agricultural appropriations bill.)

Mr. Baldwin filed an affidavit of Mr. W. D. Mims who stated that he was county Farm Security Administration supervisor in Perry County, Ala., in April 1941, when he claims this incident occurred and that Grady L. Wise was assistant supervisor at that time. Mr. Mims recites a visit of W. H. Washburn to his office to inquire about his eligibility for a tenant-purchase loan, that he was given an application and his application was approved, but it is obvious that Mr. Mims was unable to specifically refute the statement of Washburn that he was approached by Assistant Supervisor Wise before Washburn looked into the matter further. Mr. Mims states in his affidavit that "To the best of my knowledge, this applicant was not contacted until he made application for this loan." Such a statement is valueless in refuting Mr. Washburn's statement, as Mr. Wise is the one who is alleged to have made the initial contact and no affidavit was obtained from him for the reason that "he is now in the Army." It is not surprising that Mr. Mims would not have knowledge of a contact that was made by Mr. Wise.

Mr. Baldwin's refutation therefore is very inconclusive.

Mr. Baldwin further told the House committee:

"I might say, Mr. Chairman, that the Washburn case is the only case in which a specific allegation was made regarding the solicitation of clients." (P. 787, hearings.)

This statement is not correct. Numerous specific instances were cited, in addition to reports of general conditions based upon visits to a large number of counties by Farm Bureau investigators. A number of these specific cases will be cited in this summary. The case of Mr. Brockway has already been cited, who admitted he solicited 30 clients. Mr. Baldwin ignores this and other cases.

Mr. Baldwin admitted a handbill had been circulated by a Farm Security Administration supervisor in Centre, Ala., advertising for farm-tenant clients. This was another specific allegation submitted by Mr. Carr. Among the statements in this handbill were the following:

"ATTENTION FARMERS

"Tenants, sharecroppers, and farm laborers make application now for purchasing farm through tenant-purchase program of Farm Security Administration.

"Any farm family who does not already own a farm is eligible to make application.

"There is no limit as to the number of farms that can be bought in Cherokee County this year.

"If you know a friend who might be interested, don't fail to tell him. It may be his only chance.

"Farms for sale should be listed with us. (P. 23, transcript.)

"FARM SECURITY ADMINISTRATION
"Centre, Ala."

Mr. Baldwin conceded that this was improper and explained that the employee had been "overzealous." He said that the cost of paper and printing for this handbill had been paid for by the employee. Mr. Baldwin further admitted that the information in this circular, that there was no limit to the num-

ber of farms that could be bought in Cherokee County, was false, as in fact the number of loans was limited to 24 in that county. Mr. Baldwin said he would call the matter to the attention of the employee, whereupon Chairman TARTER made this comment:

"Mr. TARTER. That is certainly a light tap on the wrist for what seems to me is a very flagrant violation of any rule of common sense, whether it is a violation of any rule of the Farm Security Administration or not, to call it to his attention. Is that all you intend to do?"

In reply Mr. Baldwin said he wanted to look into the man's record further and to be fair with him, but "From what little I know about this, I did not think it would merit the discharge of the employee concerned." (P. 781, hearings.)

The question may well be raised as to why an employee should spend personal funds on such a circular unless he was reacting to pressure from above to get more clients.

In a later supplementary report submitted by Mr. Carr giving further instances in Alabama as a result of further investigation by him, the following cases are cited:

In a letter to Mr. Carr, signed by J. C. Webb, of J. C. Moore Mercantile Co. and Webb Bros., Marion, Ala., the solicitation of Miles Lapsley, Jr., a tenant of the Webb place, is described as follows:

"In March of 1941 the county director of Farm Security Administration of Perry County, Ala., Mr. W. D. Mims, and their home-demonstration agent, Miss Jennie Mary Bates, stopped on a country road that goes through our plantation and called Miles Lapsley, Jr., a tenant on our place, out of their car from the field in which he was plowing. They told him they were looking for good tenants, and they would like for him to make application with them. He explained to them that he had a good home and was doing well. After this statement from him Mr. Mims and Miss Bates showed him plans of a home, barn, etc., stating that they would furnish him two mules, several cows, fertilizer, considerable cash, and everything he needed with which to make a crop. After he refused to sign the application they left it with him and told him to think it over and if he decided to sign, to bring it into the office. They also gave him several plans and asked that he pass them out among his friends.

"This is one specific case of the way in which the Farm Security goes about getting their clients. There are others that I could mention, some of which did sign applications and have moved to other farms." (See copy of letter attached hereto.)

Apparently the Farm Security Administration supervisors had great difficulty in getting clients, if they had to resort to such solicitation. It is interesting to note, in view of Mr. Mims' affidavit about the Washburn case, that Mr. Mims is charged in this letter with soliciting the client referred to above.

Another important piece of evidence from Alabama, submitted by Mr. Carr, which illustrates the assignment of quotas and the use of high-pressure sales methods to get Farm Security Administration employees to sign up more clients, is a photostatic copy of a circular letter addressed as follows:

"UNITED STATES DEPARTMENT
OF AGRICULTURE,
"FARM SECURITY ADMINISTRATION,
"Tuscaloosa, Ala., March 4, 1941.
"MEMORANDUM

"To: All employees, District 4.

"From: J. C. Lewis, district supervisor; Edith A. Hurd.

"Subject: Progress on rural-rehabilitation loans."

The letter complains that some of the employees are not producing as much as others

and warns them to get more clients signed up:

"I am enclosing a report showing the number of plans written by each farm and home supervisor in the district. * * * There are some reasons for some of you being where you are in this calculation. There is no use for me to mention who you are for you already know, but the greater majority of you can see from the figures themselves that some of our people have been producing more than others. From these figures, I note that some of our assistant supervisors, who have been in the work only from 3 to 6 months, have written, in some cases, about twice as many as some of our older employees. I believe it will be well for you to study these figures and act accordingly."

The letter states that a definite quota had been set for the number of applicants to be added in the Fourth District of Alabama that year:

"We have ample personnel in this district to do the job that we originally set out to do; that is, aid about 4,000 needy families in this district."

The letter then complains that the latest report indicates they will fall short of the original goal set and tells them that this is not enough for the personnel in this district:

"From the study of these figures I am enclosing, we are not planning on aiding more than 3,410 applicants in all. This is not enough for the personnel we have in this district. With the farm supervisors we have, counting two colored who will probably have a maximum load of 100 to 125, we should aid about 3,800 clients in this district. This is about 400 more than is anticipated."

"These practices must be started if you have not started, in order to get this job moving faster. We are, roughly, about one-half through with the anticipated case load, and it is the 1st of March. I can't too strongly urge you to give your preferred attention to getting these farm and home plans written."

Then the letter adds some additional pressure in the form of a quotation from a memorandum received from Mr. Pearson as of this date which outlines our responsibilities to the new applicants of this district," as follows:

"You will recall that on several occasions in recent weeks we have discussed the matter of new applicants and increased case load. You have been advised that we have available sufficient personnel and funds to make several thousand new loans."

"We are somewhat concerned here over the apparent attitude the field is taking with reference to increasing our case load. It would seem from letters, telephone calls, and your daily reports that some of the folks in the counties are advising applicants and the public that we will not be able to increase our case load this year due to lack of funds and personnel. We cannot too strongly urge you to correct any such rumors as they are certainly not based on facts."

"We are in a very strategic position this year especially and should tune up all of our forces to exert every bit of the manpower we have to take care of all families possible who are our responsibility."

This statement is significant in that it reveals that the district office was being pressed from higher up in the Farm Security Administration organization to get more loans, the situation had been discussed several times in recent weeks, and that strong pressure is exerted to get more loans. It is evident from this letter that district 4 was lagging behind its quota, as the letter states that it has "available sufficient personnel and funds to make several thousand new loans" and concern was expressed because the staff had not loaned as much as expected. This further confirms the fact that the Farm Security Ad-

ministration has had difficulty spending its appropriations instead of having a shortage of funds in that area.

After quoting from Mr. Pearson's memorandum, the district circular letter of Mr. Lewis concludes:

"You can see from it that he is concerned about the progress we are making and the news we are spreading among our people. I have recently written you asking the number of applications you have and the number you anticipated taking on our program and if you need more help in order to do the job that your county is supposed to do you should let this office know immediately so that plans can be made to get some help to your county."

This further confirms that a quota is assigned each county. More help is promised to reach the goal if necessary, although earlier in the letter, they are told that they should be making more loans than they are with the amount of personnel they have. Then the letter contains a typewritten figure which evidently was filled in separately in this form letter to each county, and which constitutes the county quota for each county that year:

"With the personnel you have in your county already you should write approximately 940 loans this year and if you do not have enough personnel to take on the new clients that have applied above this amount, I would appreciate your letting me know immediately and as you probably already know, I will do all in my power to get them for you."

Another case of solicitation of clients in Alabama is contained in a statement of Ellis Fondren, as follows:

"My name is Ellis Fondren. I live at Sprott, Ala. In the month of March 1940 a man from the Farm Security Agency came to my home and asked me if I didn't want to buy a farm; I told him that I did."

"I was told by Mr. Mims, of the Farm Security Administration, that I could buy a farm on the Dr. Hanna tract for \$20 an acre. I agreed to buy 78.93 acres."

"When the papers were drawn up, I found that the land alone would cost me \$49.72 per acre, and with the home it would cost me \$57.55 per acre. After I found out what the farm would cost I told the Farm Security Administration that I didn't want the farm. They asked me to take the farm and the day I took it I could sign it over to someone else."

Another case of solicitation in Alabama is contained in a statement of Carlos Ingram, dated February 18, 1942, from which the following is quoted:

"My name is Carlos Ingram. I live on rural free delivery No. 3, Marion, Ala."

"In February 1936, Mr. Lewis of the Farm Security Administration asked me if he couldn't loan me some money so I could make a crop. I signed up with the Farm Security Administration and was on their rural rehabilitation program for 4 years * * *"

"Last month Mr. Mims of the Farm Security Administration wanted me to sign up as a client again. I told him I would rather work for 50 cents a day than to never be able to call anything my own."

Another case cited by Mr. Carr is contained in the statement of Will Knight, dated February 14, 1942, and attested by R. W. Young, Burkville, Ala., who says he was present "when this was taken and it is a true statement of Will Knight and a true signature by him." The following excerpt is quoted:

"In 1935 I was living in Mount Willing, Ala. In the fall of 1935, a lady who was working for the Farm Security Administration came to see me and asked me to go 'on the Government.' I believe the lady's name was Miss Walton."

From Mississippi, as a result of his field investigation, Mr. Carr reported as follows:

"There is widespread solicitation of clients by the employees of the Farm Security Administration. This is done in several ways—by contacting the prospective clients to meetings and explaining the advisability of becoming clients."

"The county home supervisor and assistant county home supervisor, as well as the assistant county supervisor, are told how many clients are needed and are told to go out and get them."

"In Washington County I found instances where the Farm Security Administration has gone to Negroes in the fall and told them that they could come into town where they would be on relief during the winter if they would agree to become clients of the Farm Security Administration in the spring" (p. 47, transcript of hearings, joint congressional committee).

Following his investigation in Louisiana, Mr. Carr reported:

"Clients are being openly solicited in East Carroll Parish, La. The employees of the Farm Security Administration call upon the prospective clients and try to talk them into accepting loans and becoming indebted to the Farm Security Administration."

"One of the employees of the Farm Security Administration told one of the local Farm Security Administration committeemen, who is a landowner and a member of a committee which has never met, that he almost acquired two of his tenants, but they refused to leave." (P. 62, transcript, hearings, joint congressional committee.)

As a result of his field investigation in Arkansas, Mr. Carr reported:

"The assistant supervisors in the counties of the State of Arkansas are given quotas to fill, and are told to go out and fill them. In order to get their required number of clients they use about every possible means of solicitation. They call upon prospective clients, hold meetings, and expound their theories and ask clients themselves to solicit their friends, neighbors, and relatives."

"An assistant supervisor's salary is determined by the amount of clients he can produce. If he wishes to get into a higher salary bracket the one and only qualification is that he produce a larger clientele." (P. 68, transcript, hearings, joint congressional committee.)

ILLINOIS

Mr. Ernest R. Simmerman made affidavit on January 28, 1942, in which he states that in February 1941 he "received a letter from William Armstrong, assistant to superintendent of the Farm Security Administration in this county, requesting that I call to see him on a set date in Anna, Ill." He further states:

"When I called there was an official of the Work Projects Administration from Herrin, Ill., in his office. He and Mr. Armstrong suggested to me the renting of a farm owned by L. F. Lentz, Belleville, Ill.; and when I told them I could not because I had nothing to start with, they suggested to me that the money to start farming would be available through Farm Security Administration."

Mr. Baldwin said that the case of Mr. Simmerman, whom he erroneously referred to as "Zimmerman," would appear to be a case "where our supervisor and a Work Projects Administration representative had solicited the making of a loan to this individual. Now the information I have on the case indicates that there has been very close cooperation in that county between the Work Projects Administration and the Farm Security Administration representatives; that there have been frequent cases in which the Work Projects Administration people have thought

that individuals on their rolls were better suited to farming and they have referred them to our office for consideration; that they wanted to get them off the relief rolls and the work relief rolls, which I think is a proper activity."

Apparently Mr. Baldwin favors the practice of a Farm Security Administration supervisor going to the Work Projects Administration rolls to obtain additional clients. Is the Farm Security Administration supposed to rehabilitate actual farmers, or make farmers out of Work Projects Administration clients?

NORTH DAKOTA

According to an affidavit submitted by William Rauscher, New Leipzig, N. Dak., dated February 1, 1942, he was solicited in 1939 by a Farm Security Administration employee to sign up for a share in an elevator which the farmers' union proposed to start in Elgin, N. Dak. He alleges that his grant payments from Farm Security Administration were forthwith discontinued when he refused to sign for this stock, although he had been receiving regular monthly grant checks to help support a family of nine children, and his neighbors who signed up for the elevator continued to receive grants after his was stopped. The following excerpt is quoted from his affidavit:

"In the early part of 1939 Henry Sullivan, the County Supervisor of Farm Security Administration for Grant County, N. Dak., came to see me and told me that I should sign up for a share in an elevator which the farmers' union proposed to start in Elgin, N. Dak. I told him that I didn't want to have anything to do with any more elevators because I lost \$700 in one several years ago.

"Mr. Sullivan told me I'd better think it over but I told him that my mind was made up. I did not receive my grant the following month and never received any more grants."

Then he adds this significant comment:

"While they denied it, I believe that my grants were stopped because I refused to sign up for this elevator. Neighbors of mine who signed up for the elevator continued to receive grants after mine were stopped."

He stated that he wrote Senator Nye about this matter on March 3, 1939. (See pp. 41-42, transcript, hearings, joint congressional committee, for copy of this letter, which gives these events in more detail.)

Mr. Baldwin told the House Appropriations Committee, when asked about this alleged solicitation to buy stock in the elevator, stated:

"That was also investigated several years ago, and we found that there was no substance to his complaint and this is a matter that has been discussed before this committee from time to time each year. I think 3 years ago the making of loans for the purchase of stock in grain-elevator associations was discussed before the committee and debated in Congress." (P. 811, hearings.)

Mr. Baldwin stated also that the grant payment was discontinued because of the decision of a review committee composed of local people that he was not in such need as to justify continuing him as a grant client, and they believed that he had more wheat on hand than he claimed to have. Regardless of whether the grant payment was or was not discontinued because of his refusal to buy the elevator stock, Mr. Baldwin submitted no evidence or information to refute the sworn statement of Mr. Rauscher that he was solicited by the county Farm Security Administration supervisor to buy this stock and urged to do it. Mr. Baldwin attempts to dismiss this sworn charge merely by saying: "That was also investigated several years ago, and we found that there was no substance to his complaint." (P. 811, hearings.) It is significant that notwithstanding what-

ever "Investigation" Mr. Baldwin may have made, Mr. Rauscher renews his charge with a sworn affidavit, dated February 1, 1942.

Another similar case is that of Mr. John Zeh. In a sworn affidavit dated February 1, 1942, he states, in part:

"My name is John Zeh and I reside on a farm a few miles south of Elgin, N. Dak.

"During 1938 and 1939 I was forced to apply to the Farm Security for assistance in the form of grants. These grants were allowed me for awhile and then the county supervisor's assistant, a Mr. Stewart, told me that before I could receive further grants I must join the Farmers Union.

"I protested but finally had to borrow enough money to pay the dues of \$3.50 to the Farmers Union. I did this because I knew that I would receive no further grants until I joined the Farmers Union. After I joined the Farmers Union and paid my fee, I had no more trouble obtaining grants.

"I wrote Senator Frazier a letter about this treatment and understand that Walter Maddox, State Farm Security Administration director, denied the truth of my statement. In answer to this I must say that Mr. Maddox is mistaken."

When asked about this, Mr. Baldwin told the House Appropriations Committee that this case, too, had been "investigated" in 1938 and "investigated" again in 1939 when it was again called to their attention. Mr. Baldwin gave his explanation of why Mr. Zeh was cut off from receiving grant payments, but he offered no evidence to rebut the charge that Mr. Zeh was solicited by an employee of the Farm Security Administration to join the Farmers Union with the alleged threat that his grant payments would be cut off if he did not join. Mr. Baldwin said: "The complaint was found to have no substance"; but he offers no proof of this statement, so far as the solicitation angle is concerned. His explanation deals with the reasons for cutting of Mr. Zeh's grants.

In view of Mr. Zeh's sworn affidavit, dated February 1, 1942, renewing this charge under oath and stating specifically that notwithstanding Mr. Maddox's alleged denial, that Mr. Maddox is mistaken, Mr. Baldwin's explanation is unsatisfactory and unconvincing on this point.

Most of the foregoing information was presented either to the Joint Congressional Committee for the Reduction of Nonessential Federal Expenditures or to the House Appropriations Subcommittee and therefore was available to Mr. Baldwin. Yet he told the House Appropriations Subcommittee:

"Mr. BALDWIN. I might say, Mr. Chairman, that the Washburn case is the only case in which a specific allegation was made regarding the solicitation of tenants." (P. 787, hearings on 1943 agricultural appropriations bill.)

If Mr. Baldwin's alleged "investigations" of the complaints and his other categorical denials of specific charges against the practices carried on by various Farm Security Administration employees are as inaccurate as this statement, they are very inconclusive indeed.

One of the most flagrant examples of solicitation reported by Mr. Carr is the case of Mr. R. C. Rose, of Roseland, Ark. Mr. Rose received a letter from David C. Neal, Rural Rehabilitation supervisor, and Frances W. Jones, Home Mortgage supervisor, which read in part as follows:

"We have some money set aside as a grant to do sanitary work on your place. * * * We feel sure that any landowner could not possibly afford to pass up this opportunity."

Mr. Carr reports that "Mr. R. C. Rose operates about 4,000 acres of land. His buildings are in excellent shape, and if they were not he has the facilities to repair them."

This is a case where the Farm Security Administration is apparently using grant money, appropriated by Congress for the relief of destitute farm people, to improve the facilities of well-to-do landowners. Mr. Baldwin completely ignored this case in his rebuttal to the Farm Bureau testimony.

Mr. BYRD. Mr. President, the employees of the Farm Security Administration have not hesitated to circulate vicious attacks on Members of Congress and other persons who dared to advocate reductions in the appropriations of the Farm Security Administration, and they have done so under the Government frank and at Government expense.

I have in my hand an article from the New Republic, of February 23, 1942, the title of which is "Who Speaks for the Farmers?" The article has imprinted on it "United States Department of Agriculture, Farm Security Administration, Division of Information, Little Rock, Ark." The article makes some references to me, but I shall not take the time of the Senate to read them. It makes some references to my distinguished colleague, the senior Senator from Virginia [Mr. GLASS], and then it has this to say about the senior Senator from Tennessee [Mr. McKELLAR] and the senior Senator from Georgia [Mr. GEORGE]:

Senators McKELLAR, of Tennessee, and GEORGE, of Georgia, made equally determined noises to indicate that tenants and croppers are not going to be forced to own their own farms, paint their houses, or feed their children balanced diets so long as they are in the Senate to ward off such a fate.

I think it is very reprehensible, Mr. President, that any bureau of this Government should take an article from a newspaper or magazine, put on it the imprint of the Department of Agriculture, as has been done in this instance, and then send the publication through the mails, under Government frank, so as to discredit Members of Congress who are exercising their constitutional privileges and rights by stating their views with respect to appropriations pending before the Congress.

That is what this agency has done. I will not take the time to read all the article to the Senate, or to tax the members of the committee who do not agree with me on the subject. I ask unanimous consent to have the article printed in the RECORD as a part of my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

[Reprint from the New Republic, February 23, 1942]

WHO SPEAKS FOR THE FARMERS?

The Byrd economy committee of Congress has been busy recently trying to make certain that the tenant farmers and sharecroppers of southern poll-tax States are kept as voteless as they are now. The committee has been looking into charges brought before it by the American Farm Bureau Federation and Probate Judge Bob Green, of Hale County, Ala., that the Farm Security Administration has been paying poll taxes for some of its clients in Alabama.

When Senator BYRD called his fellow Virginian, C. B. Baldwin, Federal Security Ad-

ministrator, before the committee, Mr. Baldwin testified that the Farm Security Administration was approving loans to clients who needed money to pay present or back poll taxes. In Alabama, poll taxes are cumulative up to \$36, which is a very large sum to farmers of whom more than half are still earning less than \$500 per year. Baldwin also said that the Farm Security Administration was charged with rehabilitating those farm families to which it was making loans and that the Farm Security Administration considered full voting status an essential part of such rehabilitation. The Byrd committee's all-star cast of Senators from poll-tax States were horrified by such brazen belief in constitutional guarantees, and CARTER GLASS was quick to assert that if the Department of Agriculture solicitor agreed that such procedure was legal, Mr. Baldwin had better get himself a new solicitor.

Senators McKELLAR, of Tennessee, and GEORGE, of Georgia, made equally determined noises to indicate that tenants and croppers are not going to be forced to own their own farms, paint their houses, or feed their children balanced diets so long as they are in the Senate to ward off such a fate. Some cynics attending these hearings pretended to see a connection between the attitude displayed by the four senior statesmen from the South on the committees and their own personal electoral problems. They pointed out that at their last reelection, Senators McKELLAR and BYRD were returned to the Senate by the votes of approximately 17 percent of the population over 21 in their respective States; that 15 percent of adult Virginians were enough to send CARTER GLASS back to his old seat in Washington, and that in the off-Presidential year of 1938, when he last ran, WALTER GEORGE came in first with only 3 percent of Georgians over 21 casting votes for him.

More seasoned Washington hearing-goers could think of further explanations for the Byrd committee's all-out attack on the Farm Security program. They recalled other occasions on which Ed O'Neal, Farm Bureau Federation president, has played a star role.

They remembered the time last year when Ed O'Neal and his organization declared war against the Department of Agriculture and especially against their chosen enemy, the Farm Security Administration, sometimes referred to as "the poor man's extension service." Their suggestion then was that the Farm Security Administration be abolished and its functions divided between the Farm Credit Administration and the Extension Service of the Department. O'Neal and his boys lost that round, but there is very little reason to believe that they accepted the defeat as final. The Farm Bureau is now making the same recommendations before the Byrd committee. Perhaps it is time to ask why the Farm Bureau is so persistent in its attack on the Farm Security Administration. What is the Farm Bureau Federation anyway?

The first chapter in the history of the American Farm Bureau Federation was written in Binghamton, N. Y., in 1909—prophetically enough, under the sponsorship of the Binghamton Chamber of Commerce. From that time to this the Farm Bureau has consistently stood for the interests of the well-to-do farmer and his friends in industry. Baldwin was safe in saying, as he said before the Byrd committee the other day, that "Mr. O'Neal cannot by any stretch of the imagination be considered a representative of the low-income farmers." Essentially, Farm Bureau philosophy has followed the school of thought which holds that "poor farmers are poor because they are lazy."

In its first stages, the Farm Bureau operated on a county basis to spread knowledge and practice of scientific farming methods, as

they were developed by agricultural departments of the land-grant colleges which had been established by westward-looking settlers. At a very early period, Farm Bureau activities were closely interwoven with those of the Extension Services of the land-grant colleges, so that it was quite natural, when the Smith-Lever Act of 1914 came along, for the Farm Bureau to take rapid advantage of its benefits. The Smith-Lever Act provided grants for extension work to States which were willing to match Federal funds, either with State, county, or local funds, or with funds supplied by "interested groups of citizens." Because the Farm Bureau was financially able and quite willing to answer to this last description, the American Farm Bureau Federation, with scarcely any effort at all, was able to obtain virtual control of our national agricultural machinery. And after more than 25 years, it has yet to be dislodged from that position. By supplying the matching funds called for in this early act, the Farm Bureau controls farm organization in 11 key States. Now, by contributing approximately a million dollars out of a total annual expenditure of close to \$33,000,000 for extension work throughout the country, a private organization thus is able to control a public service.

Well-to-do farmers quickly realized the advantages which could come from close contact with the State agricultural colleges, and by the time of World War No. 1, they had moved to consolidate their control of these institutions. The World War put the Farm Bureau on the map, calling as it did for lightning-like expansion of the infant Extension Service. Following the war, the Bureau adopted a legislative program and began to look far beyond the field of scientific agriculture. By 1922, there were probably 1,250,000 Farm Bureau members, and the organization was ready to get into big-time lobbying company in Washington. It succeeded. A good indication of its progress can be seen from the important role the Farm Bureau Washington lobby, headed by Chester Gray, played in determining the disposition of Muscle Shoals after the war.

By 1928, Chester Gray had established the Farm Bureau as a lobbying factor that Congressmen had to reckon with. By that time, the big-business sympathies of the Bureau had been clarified in several election campaigns, and it came as no surprise to men like Senator NORRIS to find the Farm Bureau fighting against the real interests of American farmers on the question of the disposition of Muscle Shoals. This was a long and bitter struggle. Farmers had more to gain by proper disposition of the Shoals than almost any other group, yet by intrigue and deception, Farm Bureau representatives were able to throw the weight of the organization over to the side of the power lobby, which had every intention of fleeing the farmer as shortly as possible.

The record was clearly presented by Senator NORRIS in a series of masterly statements on the floor of the Senate in 1930, and was even more clearly laid bare in the lobby investigation conducted by Hugo Black, then Senator from Alabama. Senator Black exposed Gray as an agent of the American Cyanamid Co. and the Fertilizer Trust, while he was supposed to be representing Farm Bureau members on the same matter. An interesting part of the same record is the correspondence, indicating intimate and frequent contact, between Gray and Ed O'Neal, then president of the Alabama Farm Bureau Federation.

As the Coolidge and Hoover regimes slid off into history, the Farm Bureau began to suffer real losses in membership and standing. By 1934, it was down to some four hundred thousand members and lacked the kind of program needed to attract the dissident farmers of the period. The Farmers' Union

began to gather strength, and very early in the New Deal farm problems seemed to divide into a three-way proposition: wheat, corn, and cotton. The Farmers' Union was soon established as the spokesman for wheat. Farm Bureau strength had long centered in and unquestionably dominated the corn country. The cotton South remained virtually unorganized. The Farm Bureau in 1933 had practically no strength in the South. The next move was obvious to politically astute Farm Bureau bosses like Earl Smith of Illinois, who had headed the organization as long as a corn boss could do the job. As soon as he understood the score, Smith looked around for a likely cotton man to front for him. Ed O'Neal, then a national vice president, seemed made to order.

If you have ever seen Ed O'Neal, you know that Earl Smith was a good picker. Even if you have not seen him, his record since 1931 proves that Smith was right. When the New Deal came in with its newfangled notions of how to make American agriculture a paying proposition, the Farm Bureau was in a more strategic position than its declining membership rate indicated. From years of infiltration and careful organization, the Farm Bureau had a corner on most of the trained professionals in the agricultural field. When the Agricultural Adjustment Administration and the rural rehabilitation programs came along, their choices of field personnel were fairly well limited to those trained by agricultural colleges, and consequently in all probability touched to some extent by Farm Bureau philosophy and organizational controls.

Regardless of how good programs were when they came out of the Washington office, they were translated on the operating level into a Farm Bureau version of the original idea. But in spite of these basic controls, the Farm Bureau needed to bolster its membership, so someone thought of adapting the check-off principle to farm organization. In many Southern States it has worked like this. Big planters who have always been Farm Bureau members and understand that the bureau is working for their interests have agreed to sign up all their tenants and croppers for the bureau. The member rarely knows he has joined; his \$2 dues are just deducted from his crop or his Agricultural Adjustment Administration check and turned over to the bureau directly. Under this ingenious system, membership in the South has shot up, and the Georges, Byrds, Glasses, and McKellers have an equivalent respect for the Farm Bureau interpretation of agricultural economics.

As things stand now, Ed O'Neal and the five-hundred-thousand-odd members he has now are lined up against the Farm Security Administration and its 600,000 low-income farm families. O'Neal's well-to-do planters are producing almost to capacity at present. If we are to meet the requirements of our victory food program, it will have to be through increasing production by the 3,000,000 farm families who now fall in the under \$600 annual income group. It is the Farm Security program which is capable of doing this—not the Farm Bureau program. It is our Baldwins who can win the war for us; our O'Neals who can lose it.

HELEN FULLER.

WASHINGTON.

Mr. BYRD. Let me point out to the Senator from Tennessee that the article to which I have just referred was sent at Government expense to a large number of the clients of the Farm Security Administration.

Mr. McKELLAR. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. McKELLAR. Let me say that, so far as I am concerned, the statement made in that article is just as false as the other many falsehoods which have been circulated by this same organization. I think it is the worst set-up that we have in the Government. I want to be perfectly frank. The Senator knows that I usually speak my mind. I shall speak my mind right now. I think Mr. Baldwin is a Communist. I do not think he is really in favor of our American institutions. I think he is doing the poorest job of almost any job performed by anyone connected with the Government. To my mind the Farm Security Administration is the most wasteful and extravagant agency or activity we have. I have no confidence in Mr. Baldwin as an administrator, and I know that he is giving enormous sums of money to some very trifling people. I do not believe in his philosophy of life. I think it is hurting the morale of the farmers, the morale of the youth, and of people generally. The teachings of Mr. Baldwin in regard to it being the duty of the Government to give away its money to people who will not work for it is fallacious and indefensible. I forget how many hundreds of millions of dollars this young man has given away; I do not have the exact information at hand at the moment.

Mr. BYRD. I think it has been nearly a billion dollars.

Mr. McKELLAR. The Senator from Virginia says it has been nearly a billion dollars. I do not know the exact figures. I think Mr. Baldwin is the most extravagant administrator of all administrators of activities in the Government, barring none. I do not believe he is doing the farmers a particle of good. I think he is injuring them in the greatest degree. That is one of the reasons why in the Joint Committee on Reduction of Non-essential Federal Expenditures I voted to put a brake on this man.

What he may have said about me or what he may have published and passed through the mails about me, at Government expense, is wholly immaterial; it makes no difference in the world what Mr. Baldwin thinks about me, or what he does not think about me. I have but one idea in the world in what I am doing in this body, and that is to see that the work of the Government is administered honestly and as fairly and as justly and as economically as it is possible to administer it. At a time such as this, for us to throw away money for such things as the trailer systems and migratory farm camps, which do not bring in any return, to my mind is indefensible, and I am willing to vote to abolish the whole thing.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. PEPPER. Of course I will not interrupt the Senator from Tennessee if he prefers not to be interrupted.

Mr. McKELLAR. Oh, no; so far as I am concerned I am glad to have the Senator interrupt in any way he pleases.

Mr. PEPPER. Mr. President, we often speak about bureaucratic agencies doing injustice to those of us who serve in the legislative branch of the Government; and yet oftentimes we rise on the floor of the Senate when the victim of our views is not here to defend himself, and, with the light-heartedness of a cavalier, denounce him as a Communist. Of course, being a Communist is an offense; one who is a Communist is diametrically opposed to our form of government, and membership in the Communist Party disentitles a man to the right to draw a dollar of pay as a Government official; and under such circumstances the acceptance by a Government official of any Government money as pay would make him a criminal. All of us know that to be a fact; and yet we offer to our colleagues or to the country or to the official under criticism no itemization or justification whatever for the claim, so far as I understand. I think it is only fair that such justification be stated.

Mr. McKELLAR. If the Senator will read the hearings, he will see that, in substance, I have made exactly the same statement to Mr. Baldwin to his face when I have cross-examined him.

Mr. BYRD. I can certify to that.

Mr. McKELLAR. I have no secrets; I am not saying anything in this body that I will not say anywhere else in the world.

Mr. PEPPER. I do not question the right of a Senator to make any statement he may desire.

Mr. McKELLAR. Not only the right, but, if Mr. Baldwin wants to sue me, let him go ahead; I will waive the fact that I am a Senator.

Mr. PEPPER. As one Senator, I should like very much to hear the Senator produce some evidence of the basis upon which he charges a public official with being a Communist. I know that in one instance that was involved in the Senator's remarks, but I do not agree with his statement of fact.

Because he referred to throwing away money that goes for the benefit of the migratory workers of this country, I wish to say that, as a personal observer of the improvement in living conditions the Farm Security Administration has brought to the migrant workers who work in my State, I know of no agency of the Government that is doing more good and is more deserving of support from the Congress than is the Farm Security Administration. If that work be called extravagance, it is to belittle the dignity of a human being living in a decent house and not being compelled to wash his clothes in the same stream in which the refuse from his body is carried away.

Mr. McKELLAR. Mr. President, if it be a matter of giving Government money, other people's money, to these people for a purpose which betters their condition temporarily, the Senator is right in his defense, but, to my mind, it is indefensible for the Government to make these vast appropriations for men who are gallivanting around the country

doing nothing but drawing their support from the Public Treasury through grants from this young man. The Senator can have his own views about it; I am not criticizing him; every man thinks about these things as he pleases, but, so far as I am concerned, I still think, notwithstanding what the Senator has said, that the little good it may do—and it is like a kind-hearted person giving a hand-out to a man who asks for it—is very insignificant indeed compared to the injury to the morale of the farmers of this country and to their independence. Causing men to travel over the country in automobiles or trailers and having the Government, in part, support them in that kind of work, I do not believe contributes one single particle to the produce grown on the farms of this country. Can the Senator tell me of any organization of this kind the efforts of which have resulted in farm products being secured for anybody?

Mr. PEPPER. I can say to the Senator that, quoting from the United States census report, in the spring of 1940 in the State of Florida alone many thousands of these itinerant workers were engaged in the cultivation and the harvesting of vegetables which were sent forth from that State to various consuming areas of the Nation. Those migrant workers, not so fortunate as some of us to be able to reside in satisfactory and sanitary homes, follow the market and follow the vegetable and fruit crops which come into maturity at various times in various sections of the country. They go from the Southeast up the Atlantic seaboard; some of them reach the State of Kentucky and perform there a kind of work different from that which they perform in Florida.

The question is not whether they are going to keep on migrating. Mr. Baldwin did not start them migrating. They were migrating when Mr. Baldwin came in; they were migrating when some of us came to the Senate years ago, when this type of agriculture developed in America, and when there was need for a large number of people, more than the area could normally support as a stable population, to go into certain areas at certain seasons. Consequently they move from period to period and place to place. The only thing Mr. Baldwin has done, the only thing the Congress has done, since this administration has taken cognizance of their poverty, their squalor, is to take them out of insanitary houses, out of squalid conditions, and give them decent abodes in which they may repose while they are at a given place.

Mr. McKELLAR. What about—

Mr. PEPPER. I hope the Senator will excuse me for a moment. Let me finish this statement; then I will gladly yield.

I never knew a great deal about these migratory labor camps until 2 or 3 years ago when I happened to be driving across the highway in the area of Lake Okeechobee in Florida, which is a great vegetable-producing area. I saw a little chain of houses on the banks of a stream, which

was used in one instance for the washing of clothes and in the other instance for the sewers of the area. I cannot conceive of a Negro community, I can hardly conceive of a peasant area in any country in the world more deplorable, more obnoxious than that area was. Yet just a short time before I passed there that was the abode, the residence of men, women, and children who are American citizens, who had come there in response to the seasonal demand to aid in the cultivation and harvesting of the vegetable crops. About a half a mile away from there I was shown a camp, neatly laid out, with grass on the ground, with little houses, sufficiently large for two families, with the privies back a proper distance from the residences, and then, in front of that picture was a flagpole on which was floating the American flag. I said in my heart, "Thank God for a country that will take its citizens out of squalor and put them in decent abodes where they may have repose in the nighttime and while they are home in the daytime resting from their labors in the field."

In everyone of those camps the United States Employment Service has put its own representative. Those in the camps do not lie there in idleness and indolence; they are assigned to a field not by the person who comes for their labor but by a public representative, and, if they do not work, they are thrown out of these houses.

So the man who says they are permitted to indulge themselves at public expense and do nothing is not informed. I have seen them, as other Senators in this body have seen them. It is not fair to those people to have them held up to ridicule and scorn because they happen to migrate for particular crops and seasons from one section of the country to another.

As it is now, this appropriation has been cut down to a point where only half the existing camps can be maintained unless the occupants are required to pay a charge for the use of the facilities.

This is one agency, Mr. President, that gets down into the humble class of American citizens who are making less than \$500 and less than \$750 a year and even less than \$500. It is all right to give a subsidy to the big farmers, as we do give a subsidy for soil conservation and other benefits; it is all right to subsidize business and manufacturers, but if we give a poor devil \$75 a month on W. P. A. or if we teach him to be self-sustaining upon a tenant farm, in the opinion of some able Senators it is squandering public funds.

Mr. McKELLAR. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield.

Mr. McKELLAR. I think I know as much about the poor people of this country as does the Senator from Florida, for I am one of them; I have been poor all my life; I have gone through the school of hardship and I know what I am talking about. I have seen these camps, too, I will say to the Senator from Flor-

ida, and I think many of them, especially the trailer camps, are a stench in the nostrils of decent people. Those whose homes are in the localities are regretful that the camps are there, and the only reason they are there is that they are upheld by our Government.

We are just as much to blame as are the migrants themselves when we keep them there at Government expense.

When times were hard, when there was real necessity for helping these people because of the depression which came upon us several years ago, we all voted for all that was necessary to take care of them because their plight was not their fault. But times have changed; there is no man who wants work in this country today who cannot get it. Why should we be subsidizing any group of our people when the work of all groups is necessary? Any man who is strong enough to work, who is physically able to work, has an opportunity to work just as much as the Senator or I have. For the Government to support these people in the way we are doing, to my mind, I say again, is indefensible. It is hurtful to the young men of our country; it is hurtful to the very men to whom we give these benefits in such large measure. It affects them so that they are dependent upon the Government, and do not depend upon themselves.

Mr. President, for these reasons I believe that these appropriations should not be made. I voted in the committee to cut them down in every way possible, as the chairman of the subcommittee, the able Senator from Georgia [Mr. RUSSELL], knows. I feel the same way now. I wish to add that I think I am quite as sympathetic with the class of people in question as are those who take the opposite view.

Mr. DANAHER. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I yield.

Mr. DANAHER. I should like to ask a question of the Senator from Tennessee if I may.

Mr. McKELLAR. Certainly.

Mr. DANAHER. I notice at the top of page 74, line 3, a provision for \$450,000,000, which apparently has come to us from the House without change in any way by the Senate committee.

Mr. McKELLAR. I note the provision.

Mr. DANAHER. That is a considerable sum of money. Did the Senate committee make any effort to change the amount?

Mr. McKELLAR. I shall have to refer that to the Senator from Georgia. I am not on the subcommittee.

Mr. RUSSELL. I did not hear the question of the Senator from Connecticut.

Mr. McKELLAR. Will not the Senator from Connecticut repeat his question?

Mr. DANAHER. I ask the Senator from Tennessee this question, then, if he cannot answer the first: Can the Senator from Tennessee tell me who is to get the \$450,000,000?

Mr. McKELLAR. Again I shall have to refer the Senator to the Senator from

Georgia, the chairman of the subcommittee, because I am not on the subcommittee.

Mr. RUSSELL. That amount is to be paid to the six-million-odd thousand farm families for meeting certain definite requirements of the Department of Agriculture in order to preserve the fertility of the soil of this Nation. It is paid out only to those who comply with the requirements of the Agricultural Adjustment Administration. There have been many people who have been much concerned at the great depletion of our lands. We know from the history of other nations which have come and gone, empires which have risen and fallen, that the basic, underlying cause of many of the tragic happenings of history which wiped out great civilizations has been the depletion of the fertility of the soil. The money here appropriated is to be paid out, as it has been for years past, to those who conform to the requirements of the Department for preserving the soil.

I may say to the Senator that this year for the first time, recognizing the very unusual conditions which obtain, a reduction of \$50,000,000 has been made in the appropriation. For the past 7 years the appropriation has been \$500,000,000. This year, in the effort to economize in every case where money could be saved, this appropriation has been reduced by \$50,000,000.

Mr. DANAHER. That was a reduction the House put into effect?

Mr. RUSSELL. No; it was recommended by the Budget Bureau, approved by the House committee and the House, and approved by the Senate committee.

Mr. DANAHER. Without change?

Mr. RUSSELL. Yes.

Mr. DANAHER. Mr. President, will the Senator from Virginia yield further?

Mr. BYRD. I yield.

Mr. DANAHER. I direct attention to page 77, where I see the language in line 8, "there are hereby reappropriated the unobligated balances of the appropriations made under this head by the Department of Agriculture Appropriation Acts for the fiscal years 1941 and 1942, to remain available until June 30, 1945. How much money is represented by those unobligated balances?"

Mr. RUSSELL. Approximately \$2,000,000—to be exact, \$2,015,000.

Mr. DANAHER. What is the purpose, then, of providing that they shall be reappropriated until June 3, 1945?

Mr. RUSSELL. I really know of no necessity for their being made available until June 30, 1945. I can tell the Senator the reason why this has been done in the past.

The parity payments are made to farmers who comply with the crop-reduction program and the soil-conservation program of the Department. Oftentimes there has been a controversy within a county as to whether a farmer has earned his parity payments. In such case the county committee passed upon the matter. If a farmer is dissatisfied with a decision of the committee, he has a right to appeal to his State committee.

Sometimes it takes a considerable period of time to develop all the facts, and to conduct a hearing before the State committee. If the State committee decides against the farmer, he has a right to appeal to the Secretary of Agriculture. In some cases the question whether a farmer was entitled to a parity payment has been involved in the process of appeal for more than 2 years; so that funds were made available for a period of 3 years to enable the Secretary to take care of such appeal cases.

Mr. DANAHER. Then, under this language, such farmers will be guaranteed, I take it, full parity payments. Is that correct?

Mr. RUSSELL. Oh, yes.

Mr. DANAHER. In each of the instances mentioned we are paying part of the \$450,000,000 to farmers who already own their farms.

Mr. RUSSELL. No; the Senator is entirely in error in that respect. Under the Agricultural Adjustment Act of 1938 the payments are not confined to farmers who own their land, but the small farmer or the tenant farmer gets increased payments over and above that received by the farmer who is a large operator. The payments are not confined to landowners; the money goes to all those who work upon farms.

Mr. DANAHER. Under this parity program we give a guaranty to those who produce in accordance with the requirements of the Agricultural Adjustment Act; do we not?

Mr. RUSSELL. The Senator is correct.

Mr. DANAHER. Do we make any provision for a farmer reducing acreage as a condition to receiving any part of these payments?

Mr. RUSSELL. Oh, yes; that is true with respect to wheat and cotton. Due to the great surpluses which have been piled up, there has been a very drastic reduction in wheat acreage and in cotton acreage. The cotton acreage has been reduced from 16,000,000 acres, and the wheat acreage was reduced this year to approximately 55,000,000 acres. I do not recall the aggregate acreage prior to the reduction.

Mr. DANAHER. I am impelled to ask these questions by the observation of the Senator from Tennessee, who thereafter referred my questions to the Senator from Georgia, let me recall. He had been talking about the need for production in wartime, with which I fully agree, and about the need of our doing everything we could to stimulate production. Yet we find these enormous sums—\$450,000,000, on the one hand—to be paid to farmers who are already established on farms, whether they own them or not, and, on the other hand, a guaranteed minimum of parity payments is provided for others who reduce their quotas in certain instances.

I assume that when we are doing that much for those people it is eminently proper that we take into account yet one other class of farmer, as to whom the Congress hitherto has not declared a

policy. I do not understand, let me say to the Senator from Tennessee, that either he or the Senator from Georgia, or anyone else, is making any attack here on the policy represented by the appropriation. Their quarrel is one with the amount of the appropriation.

Mr. McKELLAR. No; our objection is to the way in which certain amounts of it are paid. So far as concerns the appropriation which the Senator from Connecticut and the Senator from Georgia have discussed, they are entirely right; the appropriation applies to large farmers, small farmers, all farmers. It applies to farmers who want to buy land and who are helped, and that is a fine thing. The evil about which I had something to say was the evil of the so-called migratory farmers. They are not farmers; they are merely migrants who are going all over the country. They get automobiles and go to various sections of the country and stop at trailer camps, and the Government helps support them. I do not think that should be done. They are not attempting to make homes for themselves; they are not trying to become farmers; they are not trying to help the country produce things which will be of aid to the country. Collecting together and making nuisances of themselves, they are undertaking to get something from the Government to which they are not entitled. That class of farmers we cannot help. What we give them is thrown away. They are no good from an economic standpoint, and, to my mind, the system followed is destroying the morale of those who receive the money from the Government without compensating return.

Mr. DANAHER. Will the Senator from Tennessee tell me who will harvest the crops if these migrants do not?

Mr. McKELLAR. There will be a sufficient number of farmers to harvest the crops. We would be disappointed if we depended on these migrants, who go over the country in old Ford cars, collecting in migratory stations, taking their cars into trailer camps. By the way, these camps are most unsanitary. Talk about the Government furnishing better sanitation for them; anyone who will go near one of the camps will observe that the Government is not furnishing the sanitation for the camps, at any rate. These people are a nuisance to those around them; they are no good to the farmers; they are not workers; they are migrants. They are naturally roving people, who are not farmers, and many of them do not claim to be farmers.

Mr. DANAHER. Many of them?

Mr. McKELLAR. Yes; many of them.

Mr. DANAHER. Mr. President, will the Senator from Virginia yield to me for another question?

Mr. BYRD. I should like to proceed with my statement, Mr. President.

Mr. DANAHER. I ask the Senator to yield for only one further question, and I thank him for his forbearance. Is there any provision in the bill for the payment for sugar quotas this year and, if so, how much?

Mr. BYRD. There is a provision for paying on the same basis as last year. The amount is \$47,000,000, is it not, I ask the Senator from Georgia?

Mr. RUSSELL. It is only \$500,000 below the amount for the current year. It is some forty-odd million dollars.

Mr. BYRD. Forty-seven million dollars, I believe.

Mr. DANAHER. And that sum is to be paid to those who keep their sugar quotas within limit; is that true?

Mr. RUSSELL. I am not an expert on the sugar question. In our committee we have several experts on that question, one of them being the Senator from Wyoming [Mr. O'MAHONEY] and one or two other Senators. This year we have reversed the policy. This year we pay for increased production rather than pay the farmers to decrease their production.

Mr. AIKEN. Mr. President, will the Senator yield?

Mr. RUSSELL. I yield.

Mr. AIKEN. I should like to say to the Senator from Connecticut that there seems to be an erroneous impression that this \$450,000,000 is received entirely by farmers. It is my understanding that much of it is received by landowners, who are not necessarily farmers, and it applies to owners of forest land, and particularly it applies to a great many banking institutions and insurance companies in the East that own land in the West on which they collect soil-conservation payments. In my State there are two companies which collect the maximum of, as I recall the amount, \$10,000. If the Senator from Connecticut examines the record, I believe he will find a great many such institutions in his State which are collecting \$10,000 each from this \$450,000,000 appropriation. Senators will notice that there was a proposal made to cut the maximum payment to \$1,000, but that was not agreed to. The \$450,000,000, however, is not all paid to farmers; it is paid to landowners for improving their soil and protecting the soil. Part of it goes for control of river-bank erosion, at least for supervision of the work, and for other purposes which cannot directly be called farming operations.

Mr. McKELLAR. Mr. President, will the Senator yield to me for a moment?

Mr. BYRD. I yield.

Mr. McKELLAR. In order to make my position perfectly plain, let me say that some years ago, when the country was going through very hard times, when it was in the greatest depression the world has ever known, I happened to be on a return voyage from the Philippine Islands, together with my distinguished friend the Senator from Maryland [Mr. TYDINGS] and some other gentlemen. We were on the Red Sea when I received a cablegram stating that the Appropriations Committee was divided 12 to 12 on the question of the big W. P. A. project. When I came home I voted for that project. Why did I do so? Because, Mr. President, people actually needed the help provided by it. The country was in

a sad plight, and it was a matter of humanity to vote for the W. P. A., and I have continued to vote for it when it was necessary to do so. But at such a time as this, when we do not have the labor which we need on our farms, when we do not have the labor which we need in our factories, when any one who wants to work can get work and receive a good return for his labor, I do not think we should continue to give out money to those who do not want to labor, who wish to traipse around the country, to idle around the country in such cars as they can get, or such other means of transportation as they may find. At such a time as this I do not think they should be continued as wards of the Government, and treated as we are treating them under the provisions of the bill. I am glad the amount has been reduced. It ought to be reduced. I am in favor of doing anything to help suffering humanity, but I am not in favor of letting persons who are not working take advantage of the Government by being made the recipients of Government payments.

Mr. BANKHEAD. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. Mr. President, I should like to conclude my statement. I have yielded for nearly an hour now.

Mr. BANKHEAD. If I am to say anything on the subject I wish to do so now.

Mr. BYRD. Cannot the Senator do it in his own time?

Mr. BANKHEAD. I wish to say something about Mr. Baldwin.

Mr. BYRD. How long will the Senator take to make his statement?

Mr. BANKHEAD. If no questions are asked me, I shall make the statement in about 4 or 5 minutes.

Mr. BYRD. The Senator from Virginia yields for 4 minutes.

Mr. BANKHEAD. Mr. President, within that time limitation voluntarily imposed I shall not attempt, of course, to go into a discussion of the philosophy of the Farm Security Administration or its great advantages to the under dog in rural life. I am not content, however, to let this phase of the debate close without saying something about Mr. Baldwin in view of the very vigorous assault upon him made by my beloved friend the Senator from Tennessee [Mr. McKellar].

The Senator from Tennessee has boldly expressed the opinion—and he always, as he says, has the courage to do so, but I think sometimes a little bit too vigorously—that Mr. Baldwin is a Communist, and he doubts the propriety and the wisdom of vesting any judgment, or discretion, or administrative power in Mr. Baldwin. I, of course, hold no brief for Mr. Baldwin. He is not from my State, but for the last 4 or 5 years I have had very intimate contact with Mr. Baldwin in his administration of the Farm Security Administration in both phases of its work, in connection with the Farm Purchase Act, which has been so fully approved by everyone, and which is under Mr. Baldwin's administration, and in the administration of the rehabilitation program.

Mr. President, I have never seen any indication, nor have I ever heard any statement made by Mr. Baldwin which indicated in any way that he was a Communist, or that he was not in full accord with American institutions and the American form of Government. I have at all times found him to be a gentleman, a Virginia gentleman, and if any criticism could be made of him it is because of his generosity, possibly, his tender heart toward relieving the sufferings of the poor farmers who could not obtain credit, who had no standing, who had no means to enable them to stay upon the farm, and who, except for his assistance, would have been obliged to go to town and get on the W. P. A., but who preferred to stay on the land and make their own living for themselves and their families.

Mr. President, I feel that in justice to Mr. Baldwin I should make that statement, especially in view of the charge made by my good friend, the Senator from Tennessee that, in his opinion, Mr. Baldwin is a Communist. I have seen nothing at all in my close contact with Mr. Baldwin to justify such a charge. I do not think the Senator from Tennessee has had as close contact with him as I have had, otherwise he would not have entertained the opinion he has expressed. So Mr. President, I feel it is my duty to make the statement I have made, and I very cheerfully and gladly do so, regardless of other issues which may be involved in this controversy.

Mr. TAFT. Mr. President, will the Senator from Virginia yield to me?

Mr. BYRD. I yield.

Mr. TAFT. Is it not true that the American Farm Bureau Federation, which represents perhaps more farmers than any other organization in the country, has recommended the abolishment of the Farm Security Administration?

Mr. BANKHEAD. No, that is not true at all. The American Farm Bureau Federation is in accord with the principles under which that Administration works.

The Federation opposes the spending of the volume of money which is spent, and also opposes some of its practices, but it does not recommend the abolishment of the Farm Security Administration.

Mr. TAFT. Mr. President, will the Senator from Virginia again yield to me for a moment?

Mr. BYRD. I yield.

Mr. TAFT. Under the circumstances I should like to read the recommendations which the executive committee of the American Farm Bureau Federation made, as follows:

While we thoroughly agree that the activities under the farm-tenant purchase program and the Farm Security Administration should be drastically and severely curtailed, we believe that at least part of the work of these agencies should not be forthwith abolished.

This is the American Farm Bureau Federation speaking through its official representative:

The work being done under the Farm Security Administration should certainly be re-

stricted to the needs of deserving farmers who are not eligible for other lines of credit, or who cannot find their places in industrial production. Unquestionably the need for relief assistance such as that provided by the Farm Security is very greatly reduced. Purchasing of large areas of land, the establishment of cooperative purchasing and selling organizations, and other activities of the Farm Security which are already being carried out effectively by other agencies—governmental and private—are not warranted and should be discontinued. We believe that farm tenant purchase activities should be confined chiefly to the servicing of loans already made, and that few, if any, additional commitments should be made during the present war emergency.

This is the American Farm Bureau Federation speaking. This is said in the name of the American farmer:

It is obvious that there is great need to reduce the overhead and administrative expenses for carrying on these activities.

That is what the Senator is trying to do in cutting this appropriation from \$50,000,000 to \$25,000,000.

For this reason and also in order to coordinate such activities with other agricultural efforts, we believe that the merited parts of these programs should be handled by other agencies of the United States Department of Agriculture which have for many years been engaged in such activities. This would prevent overlapping and duplicating and greatly reduce overhead and other administrative expense.

The Federation does recommend the abolition of the Farm Security Administration and Mr. Baldwin's administration of it. The American Farm Bureau Federation goes on to say:

We have had a preliminary investigation made of the Farm Security program, as we have had many complaints of waste, extravagance, and abuses in the administration of this program. While we did not have the time nor the facilities to make a complete investigation, the preliminary findings indicate some startling and shocking conditions of waste, extravagance, and indefensible practices in the administration of this program, including:

- (1) Assignment of quotas of the number of clients to be secured in counties in order to expend funds appropriated by Congress and to maintain personnel employed by the agency.
- (2) Widespread solicitation of clients in order to meet quotas.

Referred to by the Senator from Virginia [Mr. BYRD].

(3) Burdening of clients with excessive loans beyond their ability ever to repay, resulting in a complete loss of hope and breakdown of morale.

(4) Establishment of impractical collective-farming projects.

(5) The policy of making grant payments from Federal emergency relief funds, for which the Farm Security appears to be a certifying agency, as a means of enabling clients to repay loans rather than using such funds to relieve destitution, and in this way substituting funds intended for direct relief to repay loans which have become delinquent.

(6) Use of numerous devices, such as the substitution of grant payments, renewal notes, and the 5- and 10-year variable payment plans as a means of showing that loans have been collected when actually little or no collections have been made; or in many cases showing loans fully paid where the indebted-

ness of the borrowers has actually been increased.

(7) Flagrant attempts to build up pressure groups to maintain congressional appropriations and local political and community support through various devices and practices.

There are several other items. From reading the hearings that seemed to be the most significant charge made. It is a charge made by the farmers, not against the general theory of making loans to farmers who need loans but against the particular administration of the Farm Security Administration. The statement indicates a distinct willingness on the part of this farm organization, at least, to have the appropriation substantially reduced, as sought by the Senator from Virginia.

Mr. RUSSELL. Mr. President, will the Senator yield?

Mr. BYRD. I have yielded quite often. I should like to be permitted to say a few words. I have not said anything for nearly an hour. [Laughter.]

Mr. RUSSELL. I do not like to interrupt the Senator. I realize how tiresome it is. I have had the experience of having general debate in my time. However, I should like to make a brief observation.

Mr. BYRD. I yield.

Mr. RUSSELL. The Senator from Ohio is aware of the fact that while he is stating the representations of the national organization of the Farm Bureau Federation, in the State of Ohio the Farm Bureau went on record as fully endorsing all that the Farm Security Administration is doing. The head of the Farm Bureau from the State of Ohio appeared before the Senate committee and made that statement.

Mr. BYRD. Mr. President, evidently the members of the Appropriations Committee of the House, at least, agree with much that the Senator from Tennessee [Mr. McKellar] says with respect to the activities of the Farm Security Administration. In reporting the appropriation bill to the House, the House committee stated:

The Administration—

That is, the Farm Security Administration—

is also carrying on experiments in collective farming under a plan which appears to resemble the plan of collective farming in Communist Russia. The committee believes this is wholly contrary to the spirit and the genius of the American way of life and ought to be stopped.

So perhaps the Senator from Tennessee has some very solid ground for the statement he made with regard to Mr. Baldwin. While the House committee does not state that Mr. Baldwin is a Communist, it states that the plan of collective farming—

appears to resemble the plan of collective farming in Communist Russia. The Committee believes this is wholly contrary to the spirit and the genius of the American way of life and ought to be stopped.

Mr. McKellar. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. McKellar. As I recall, the hearings showed that all these collective farming arrangements, or practically all of them, have been abject failures.

Mr. BANKHEAD. They also showed that they were instituted by Mr. Tugwell, and not by Mr. Baldwin.

Mr. McKellar. I do not know by whom they were instituted. They are now run by Mr. Baldwin, and they have been absolute failures. I believe that any other communistic plan of that kind would be a failure. That is why I am opposed to it.

Mr. PEPPER. Mr. President, will the Senator yield?

Mr. BYRD. Mr. President, I shall have to decline to yield further. I should like to complete my statement. The Senator may then have the floor.

Mr. PEPPER. If the Senator will allow me to make one comment, I shall not interrupt him further.

Mr. BYRD. I yield.

Mr. PEPPER. I wonder if the Senator can explain what is meant by the collective farming to which he has referred? What actually was done?

Mr. BYRD. Collective farming is being carried on. I cannot explain it any better than that. Farms have been purchased and run collectively. It is being done now.

Mr. PEPPER. Did not the administration simply acquire land, permit a man to cultivate a particular part of the land, and then jointly market the produce of the several farms?

Mr. BYRD. It is collective farming. As I understand, a farm is purchased, and the farmers are placed on it to operate it collectively.

Mr. PEPPER. I have visited one of the projects. The plan may not be a good idea; but, as I understand, each tenant had an opportunity, if he chose, to have a particular piece of land, which he might farm, or which he might begin to purchase, and occupy as a prospective purchaser, in which case the joint agency acted as a marketing instrument for the sale of what was produced on the several farms. Meanwhile the farmers had an opportunity to live in communities, where each one had his own house and had an opportunity to participate in some kind of industry, such as carpenter work, or work in a shop.

Mr. BYRD. There are a number of instances of collective farming, which was condemned by the House committee.

Mr. PEPPER. How does the Senator distinguish between collective farming and cooperative farming?

Mr. BYRD. In collective farming the farmers all work together. There is no ownership of land, and the project is conducted as similar projects in Communist Russia are conducted. The products of the farm are pooled, and the individuality of the farmer is lost.

Mr. BANKHEAD. Can the Senator tell us where such projects are being carried on?

Mr. BYRD. I can furnish that information. The farmers do not own the land at all. The Government owns the land.

Mr. McKellar. The Government owns the land, and collects the people to live on it. Two of such projects were tried out in Tennessee.

Mr. BYRD. It is collective farming on Government land.

Mr. McKellar. One of the projects was on what is known as the Cumberland Plateau. Fine stone houses were built for those who had charge of the project, which was an utter failure. The houses are not occupied even to this day, or they were not the last time I saw them, which has not been a great while ago. The projects were a failure and a nuisance to the entire community, destroying the morale of the farmers.

Another project was in west Tennessee, in Haywood County. I think it was partly in two other counties, Hardeman and Henderson. The project did not even get started. The land was bought, but those in charge of the project could not get anybody to occupy it along communistic lines, so the land is still owned by the Government. The project has been an utter failure. I am speaking from experience in my own State.

Mr. BANKHEAD. I am sure that in the interest of fairness and justice the Senator will agree that those projects were not built under Mr. Baldwin, but were instituted by the old Resettlement Administration.

Mr. McKellar. As I recall, Mr. Baldwin was not the head of the Department.

Mr. BANKHEAD. He had no control over it.

Mr. McKellar. He was not the head of the Department when it was done, but he was a member of the official staff of the Department when it was done, and he has had the project in charge ever since. Nothing has been done with it.

Mr. BYRD. As I shall show, collective farming is now being carried on.

Mr. McKellar. I think there is a similar project in Arkansas which has been an eyesore and a heartache to Arkansas ever since it was established.

Mr. BYRD. It may have been inherited from Tugwell, but it continues.

Mr. BROOKS. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. BROOKS. I should like to ask the Senator from Tennessee if he did not develop, in his interrogation of Mr. Baldwin, that in at least one instance the officials went to the courthouse and examined the records of those who had made applications for loans, to see if they had paid their poll tax. They were not going to lend them any money unless part of it were used to pay the poll tax. That was confined only to the white residents of the county, and it was a discrimination against any colored farmers who might need help. If we are to reach down to the underdog farmer of America, should we not reach down to all of them, regardless of their color?

Mr. McKellar. Mr. President, to a very great extent I agree entirely with what the Senator from Illinois has said, with one little amendment. The incident to which he refers did not happen in my

State but in the State of Alabama. As I remember, Mr. Baldwin said that money was loaned to rehabilitate farmers. I shall have to refer to the record to be absolutely accurate. He said he loaned money to rehabilitate farmers, and that included in the loan was an amount, varying from \$2 to \$6, to pay poll taxes. It was confined to the white people of the community. The colored people were left out.

Mr. BANKHEAD. The Senator will not say that any colored man who ever applied for a loan was rejected on the ground of color, will he?

Mr. McKELLAR. As I recall, Mr. Baldwin said that none of them had applied for a loan.

Let me read from the testimony:

Senator McKELLAR. If it is such a good thing, this eleemosynary institution for which the Government is paying the bill, if it is such a wonderful thing for white people, why do you limit it to white people?

My good friend the gentleman from Alabama [Mr. BANKHEAD], whom I love very dearly, says that Mr. Baldwin was a kind-hearted man. It is easy to be kind-hearted with other people's money. Mr. Baldwin is handling \$700,000,000 or \$800,000,000 of the Government's money, and it is very easy to be kind with it.

I read further from his testimony:

"Senator McKELLAR. * * * If it is such a good thing, this eleemosynary institution for which the Government is paying the bill, if it is such a wonderful thing for white people, why do you limit it to white people? Why do not you include the colored people? There are a lot of colored people in Alabama. I was born in that State, and there are many colored people there, as I remember. I am wondering, if it was such a good, splendid, kindly, generous plan—and evidently is all those things—why had you excluded the poor colored people down there?"

"Mr. BALDWIN. I think it is a pretty good plan, Senator McKELLAR.

"Senator McKELLAR. Yes; but why did you exclude the colored people?"

"Mr. BALDWIN. I am not the one to judge that. The colored people, of course, are not excluded. We have thousands and thousands of Negro clients.

"Senator McKELLAR. Did you pay any poll taxes for colored people?"

"Mr. BALDWIN. We do not want to see these families make any expenses that do not contribute to their rehabilitation."

That was his answer. Does that answer appeal to Members of this body?

Senator BANKHEAD. Now, Senator McKELLAR—

Senator McKELLAR. Will you wait one moment?

Senator BANKHEAD. Yes.

Senator McKELLAR. Until I get through with this.

Senator BANKHEAD. Yes. (Continues reading.)

"Senator McKELLAR. The question is serious. I am not asking you what you want to do and what you do not want to do; I am trying to find out what you have done and what you propose to do. Have you paid poll taxes of any colored people in Alabama, in Greene County, Ala., or any other county in Alabama?"

"Mr. BALDWIN. As far as I know, we have not done it, sir, and the reason it has not been done is because they would not qualify

as voters, they probably would not be able to qualify. I want to make this matter very clear, sir, if you will let me."

If that is not made clear, how can it be made any clearer? He did not do it because, as a practical matter, he thought the colored farmers might not qualify as voters. He was lending money to some because they could qualify as voters and not to others because he did not think they could qualify as voters. Is that the way we want the money of the Government spent? I am very outspoken about it. I do not want the Government's money spent by a man who has that sort of view.

I asked him if he was lending money to migrants.

Senator McKELLAR. Do you include movie tickets—tickets to the movies for proper recreation?

I said to the committee, in quoting that testimony:

These are agricultural loans.

Here is the reply:

Mr. BALDWIN. No, sir. There is a miscellaneous column there that might include such an item.

Lending farm money so that people might go to the movies?

Mr. Baldwin continued:

I think these people are privileged to go to the movies; yes.

I then said to the committee:

Well, he answered both no and yes, and then I said:

"So you would include the movies? Would you include the travel expenses to town for a chance of recreation in the city nearby?"

Mr. BALDWIN. Well, I think, sir, the rule of reason would be followed.

Lending the Government's money, the money of the American people, at a time when we are assaulted as we never before have been assaulted in the history of time; lending our money to enable people to travel into the city in order to go to the movies or have other kinds of recreation!

Next I asked this question:

Senator McKELLAR. Would you include the Knights of Pythias dues, and Masonic dues, and chamber of commerce dues, and things like that?

Mr. BALDWIN. These items are the normal cost that go toward living in a democracy.

I said Mr. Baldwin was a Communist. I have just read his testimony, not mine.

Mr. TYDINGS. Was any allowance made for the purchase of hard and soft drinks?

Mr. McKELLAR. I am not a drinking man, and for that reason I perhaps did not remember to ask him about the purchase of hard and soft drinks. [Laughter.] But I did say this to the committee:

Now, gentlemen, we are appropriating vast sums, millions of dollars—I forget how much was the amount last year, but some enormous amount, and the year before that even more than that—I do not remember the exact figures—to a man like that now who is lending a part of it and just making grants of the other part, and I want to call your attention to that.

Awhile ago the Senator from Florida [Mr. PEPPER] suggested that I was making statements in this body which I would not make to Mr. Baldwin. When Mr. Baldwin came before us I made to him the same statements that I am making here. I do not make a statement behind a man's back that I would not make to his face.

Mr. PEPPER. Mr. President, the Senator from Tennessee, out of fairness to me, should let me correct that impression, if I inadvertently gave it to the Senate.

Mr. McKELLAR. Very well; I am glad to have the Senator correct it.

Mr. PEPPER. No one questions the courage of the Senator from Tennessee. I simply said that it seemed to me the Senator from Tennessee should give to the Senate the basis for his accusation that the man is a Communist.

Mr. McKELLAR. I do not think that such a man, who is using other people's money in the way he is using it, lending it out, not to farmers, but to pay poll taxes, to pay dues to various organizations, to pay for driving into town on Saturday afternoons and other times for recreation, should be permitted to handle Government money. I do not think that sort of loan for farm purposes is accomplishing its purpose; and I am very much opposed to the man who makes such loans. I have no apologies to make for the position I take. It is based on solid ground, and, in my judgment, no other Member of the Senate feels that such loans should be made.

Mr. RUSSELL. Mr. President, will the Senator from Virginia yield?

Mr. BYRD. I will yield, if the Senator from Tennessee has concluded.

Mr. McKELLAR. I am through.

Mr. RUSSELL. I think it should be pointed out that the making of loans of money with which a farmer paid his poll taxes was not a specific policy of the Farm Security Administration. There was not a great deal of difference between the way such loans were made and the way loans were made when I was a boy, when a farmer would apply for a loan at a supply house or a country bank down in Georgia. A man would go into a bank and say to the banker, "I want to borrow \$100." The banker would ask him, "What are you going to use the money for?"

The farmer would reply, "I want to buy a wagon, and it will cost me \$25. I have to get a cow, and that will cost \$25; and then I have to pay my taxes, and that will cost a few dollars; and I am 'way behind with my Masonic Lodge dues, and I want to pay them, and that will cost me \$6." The note would be made out and signed at the bank, and the money would be given to the farmer.

When a man goes to the Farm Security Administration to obtain a loan he tells what he wants the money for, and he submits the information on a little slip of paper. In many cases, probably thousands in Alabama, a man who wanted to borrow would write on the slip that he wanted to pay his poll tax, but a great

many more said they wanted to pay their property taxes.

Mr. President, in the operation of the Home Owners' Loan Corporation and the Federal Land Bank this country pumped out literally hundreds of millions of dollars that went to land owners and home owners all over the United States, and let them use the money to pay their taxes—poll taxes and all other kinds of taxes. We did not hear a word of criticism about that, although in the case of loans made by the Home Owners' Loan Corporation and the Farm Credit Administration there was a requirement that the borrower borrow from his Government sufficient money to pay his taxes of all kinds—his property taxes, his poll taxes, and any other taxes which might have been assessed against him.

However, when we come to consider loans to these poor, pathetic, pitiful people who have a mule, a horse and wagon, and a shote, and who want to borrow sufficient money to pay their poll taxes, they are held up to ridicule.

Mr. CONNALLY. Mr. President, will the Senator yield?

Mr. BYRD. I yield.

Mr. CONNALLY. I should like to ask the Senator from Georgia a question. I suppose that conditions in my State are very much like those in the Senator's State: As a rule the tenant farmer borrows money every year in order to make his crop and pay his bills. When he receives a loan at a bank, of course he pays his poll tax out of the money thus loaned to him. If he did not, he would not pay it at all. He uses the money thus obtained to pay all his other expenses.

Mr. RUSSELL. Exactly.

Mr. CONNALLY. As I understand, there is no requirement here as to what he shall do with the money after he receives it. As was suggested by the Senator from Maryland [Mr. TYDINGS] some of the farmers might have bought hard or soft drinks with some of the money obtained from such loans, or they might have used it for almost anything else; but if such a farmer is going to spend it at all, it seems to me that to integrate himself into the Government machinery and pay his poll tax and remain a voting citizen is a very desirable thing.

In respect to the question of the colored voters who do not have their poll taxes paid, let me say that, in addition to paying a poll tax, they have to register, and perhaps take a literacy test, and do other things of that kind. Unless they want to pay their poll taxes, no one is going to make them pay them. As I understand the testimony, Mr. Baldwin said that in the cases of such colored voters there was no request for money with which to pay poll taxes.

Mr. RUSSELL. As I understood the testimony, it was that when they came in and told what they wanted to spend the money for, they did not say they wanted to spend the money to pay poll taxes; and, to be absolutely realistic about it, most of them could not qualify under the State law to vote, anyway.

Mr. CONNALLY. Yes; and most of them did not want to waste their money by paying a poll tax if they could not qualify to vote.

Mr. RUSSELL. With respect to the circular which the Senator says was circulated, if it was circulated by the Farm Security Administration it was indeed a most reprehensible thing; a man who circulated such a circular, speaking in terms of the Senator from Tennessee and the Senator from Virginia, should be disciplined. However, since the matter was brought up on the floor of the Senate, I communicated with Mr. Baldwin, and he said he did not have anything to do with the distribution of the circular.

Mr. BYRD. It was distributed from the Division of Information at Little Rock, Ark.

Mr. RUSSELL. That is a regional office. I say that the man who sent it out should be disciplined.

Mr. BYRD. It was sent out on February 23, and I have in my hand several other circulars which were distributed by other regional offices.

Mr. RUSSELL. If the Senator will indulge me for a moment further, I should like to say that I have known Mr. Baldwin from the time when he was in the office of the Secretary of Agriculture. I have had some very violent differences of opinion with him as to the manner in which the Farm Security Administration should be administered, and I have been very critical of him before the committee over which I have had the honor to preside, the subcommittee on agricultural appropriations. However, in my judgment, Mr. Baldwin is as far from being a Communist as any man could possibly be. I believe he is an honest, sincere, patriotic American. He has had some theories which were not pleasing to me, and with which I disagreed; but I believe that Mr. Baldwin is a patriotic American, and that his sole aim has been to administer the program in the interest of the most underprivileged people on earth; because let me say to the Members of the Senate, and let me ask them to bear in mind, that this program deals only with persons who have no credit resources anywhere on earth. Even to obtain what is called a feed loan, a man must have a statement from the Federal land bank, which makes chattel mortgages, that they will not make a loan, before he will be able to secure a loan under the program.

It is true that the Farm Security Administration does keep a check on the man to whom it makes a loan. The statement was made to me by my State farm bureau that when a man has repaid a certain amount in a given year, it is felt that the supervision should be removed. I think that a provision to that effect would be a good one. There should be other changes in the program.

However, certainly there has been nothing in this program which I believe would justify any idea that Mr. Baldwin is a Communist merely because he would take no exception to a man going to a bank, asking for a loan from the bank, and stating that he wanted the money so that he could pay his poll taxes along with other taxes.

If that makes him a Communist, I do not know a single small-town rural bank in the South that is not communistic,

because at one time or another they have loaned to tenant farmers and sharecroppers money with which to pay their poll taxes.

Mr. BYRD. Mr. President, recurring to collective farming there is a project involving the purchase of what was known as the Lord Scully tract in Bates County, Mo., and another known as the Lake Dick, Ark., project. About this project Mr. TARKER had this to say:

Now, do you conceive that under the law, the language under which the appropriation has been made, that it is possible to take funds appropriated for loans, grants, and rural rehabilitation and make the purchase of land to be held in common by a number of rehabilitants without any prospect of any rehabilitant ever securing title to any particular acreage included in the tract, and operated upon the basis of a Communistic community where all of the rehabilitants located on the land are to labor jointly and share jointly (without regard to the industry or lack of industry of any particular rehabilitant) in the proceeds from the joint operation? Do you or do you not consider that a transaction of that kind is justified under the law and the language under which the appropriation is made?

So they are still engaged in such projects. It is not the old resettlement project, but the Farm Security Administration went into a county in Missouri, and purchased 3,963 acres of land at a price of \$158,000 which they propose, as I understand, to turn into a collective farm, for they put a mortgage of \$735,000 on it a few days later, although they paid only \$158,000.

Mr. President, I wish to make one more comment with respect to the policies of the Farm Security Administration along the line of collective farming. Mr. Baldwin, in his testimony before the committee, admitted that there were distributed over the country at various meetings and elsewhere a statement prepared by his department which was entitled "Long-time Tenure Objectives." Included in the statement is the recommendation that the Government exercise the right of eminent domain as a means of securing the subdivision of large land holdings. In other words, the Government should be given the right to condemn property for the purpose of redistributing it.

Furthermore, it was recommended that the Government acquire title to as much land as possible, and retain all the land now held by the Government.

In cross examination, Mr. Baldwin at first denied that the pamphlet was prepared with his knowledge, but he said it had been distributed to organizations, and when the question was asked him as to whether he favored it, he said:

Mr. BALDWIN. I favor such methods as can be taken to support the traditional family type of farming operation in the country. I think that that might be considered.

The CHAIRMAN. If the man is not willing to sell the farm, a farm that he has owned, perhaps his ancestors for generations had owned, he is not willing to sell it himself, would you be inclined to favor the proposition that the Government, by the right of eminent domain, could take the farm away from him?

Mr. BALDWIN. I certainly would not, sir. If he is not living on it, however, if he is an absentee owner, if it is owned by an insurance company or was owned by someone who did not have any interest in working the land, I

think that such a step might not be inconsistent with the traditions of this country. I do not know, sir. That is a matter certainly that would be up to the Congress.

Senator GEORGE. If he owned too much, would you be in favor of taking some of it?

Mr. BALDWIN. I do not know whether I would or not.

Senator GEORGE. The philosophy of that long-time program is exactly that.

Mr. BALDWIN. Senator George, I have not endorsed that program completely. As I said, it was prepared for discussion of the tenure problem. The tenure problem is the most serious thing we have to content with in trying to rehabilitate farm families. Congress has given a great deal of attention to it. Secondly, I favor no steps to take any action on anything that is recommended in that paper without congressional authority to do it, but I do think that we should not hide our eyes to the steps that might be taken to bring about greater security for a great mass of people in this country.

The CHAIRMAN. How many acres do you think a man should have under your plan?

Mr. BALDWIN. Mr. Chairman, I have no plan, sir; I have no plan.

The CHAIRMAN. Whose plan is it? You say you endorse it.

Mr. BALDWIN. I do not know. In some parts of the country 40 acres of land is adequate to support a family with some decency.

Senator McKELLAR. Do they have a formula for this?

Mr. BALDWIN. In other sections of the country, in some of the Great Plains sections of the country it will take several thousand. In your section of the country I expect a few hundred acres will be required, although I am not so sure about it. You would be a better authority on that than I would, sir.

So there has been a discussion evidently within the Farm Security Administration as to the question of publicly condemning land for the purpose of redistributing it under certain plans which they no doubt have in mind.

Mr. McKELLAR. Mr. President, was it not openly testified to before our committee? That is my understanding, and that is how we got our idea of Mr. Baldwin. He publicly testified there was such a plan in his set-up, but that he had not given it his entire approval.

Mr. BYRD. He admitted that the document had been published and distributed at the expense of the Government.

Mr. McKELLAR. Yes; it was published and distributed at the expense of the Government. If that is not communism, I do not know what it is.

At this point, Mr. President, I wonder if the Senator from Virginia will permit me to ask that the opinion of the American Farm Bureau Federation as it appears on page 727 and the top of page 728 may be printed in the RECORD. The Farm Bureau Federation takes exactly the same position we took in the matter that this part of the program ought to be very greatly curtailed, if not entirely abolished.

Mr. BYRD. I am glad to yield to the Senator for that purpose.

The PRESIDING OFFICER (Mr. MAYBANK in the chair). Without objection the matter presented by the Senator from Tennessee will be printed in the RECORD.

The matter referred to is as follows:

Mr. O'NEAL. * * * It is therefore imperative to curtail all nonessential expenditures and eliminate duplication, overlapping, and waste in administration. There are some activities which, though useful and appro-

priate in normal peacetimes, can be dispensed with or postponed during the war. Farmers want economy in the administration of all agricultural programs and services, as well as economy in other governmental activities.

The American Farm Bureau Federation has taken an aggressive position in support of constructive economies in governmental expenditures.

At the last annual meeting of the American Farm Bureau Federation in Chicago, December 9, 10, and 11, 1941, the following resolution was adopted:

"In view of the great expansion of all Government bureaus, and since the emergencies for which many were set up have largely decreased or ceased to exist, we recommend that the activity of such agencies and bureaus as have served their major function be curtailed in proportion to the reduction in necessity for the work they have been performing.

"The mounting public debt and the necessities of war require that every administrator of Government be unusually zealous in his efforts to eliminate waste, extravagance, duplication, and unnecessary expenditure.

"Agriculture is setting the example by reducing substantially its request for appropriations in line with the improvement in agricultural conditions. It calls upon all economic groups and all administrators responsible for the expenditure of public funds to seek, through every legitimate means, the highest degree of efficiency and economy."

It is shocking and distressing in these times of grave national peril to see agencies of Government created to do specific jobs—some of them designed purely for temporary purposes—constantly seeking to continue and expand the scope of their operations far beyond the justifiable need and resist the efforts to discontinue unnecessary services and to reduce expenditures to merited need. There has been an alarming tendency for these relief agencies, which comprise a large and varied number of governmental agencies, to try to inject themselves into the war program for the obvious purpose of perpetuating their organizations and pay rolls.

The time has come for the Government to set the example in converting its operations fully to a wartime basis by eliminating the unnecessary services, the duplication, overlapping, and all unnecessary governmental expenditures.

During the hearings before the House Subcommittee on Agricultural Appropriations I appeared, together with several of my associates, and presented specific recommendations for constructive economies in agricultural appropriations.

We also recommended an over-all policy of coordination, which would eliminate unnecessary services, duplication, and overlapping in the administration of agricultural programs, and result in very substantial savings in manpower and funds.

Mr. BYRD. Mr. President, I referred a little while ago to the attack that was distributed at the expense of the Government upon the Senator from Georgia [Mr. GEORGE] and the Senator from Tennessee [Mr. McKELLAR] and other members of the committee. In addition to that I received copies of a similar criticism, an attack upon other members of the committee sent out by Mr. Jesse B. Gilmer, who is area director at Amarillo, Tex. So I sent a telegram to Mr. Gilmer in which I said:

JESSE B. GILMER,

Assistant Regional Director, Farm Security Administration, Amarillo, Tex.:

Please advise me promptly who sent you the three attachments which you included in your letter of February 6 addressed to

dear committeemen whether this literature was sent out under Government frank and how many copies were sent. Give same information with respect to the enclosure contained in your undated letter addressed dear committeeman and which relates to the annual Agricultural Adjustment Administration dinners to be held on or about March 9.

HARRY F. BYRD,

Chairman, Joint Committee on Reduction of Nonessential Federal Expenditures, United States Senate.

Mr. Gilmer replied as follows:

AMARILLO, TEX., March 12, 1942.

Mr. HARRY F. BYRD,

Chairman, Joint Committee on Reduction of Nonessential Federal Expenditures, Senate, Washington, D. C.:

Re telegram March 9 attachments my letter addressed to dear committeeman referred to by your wire were mimeographed in my office at my direction; about 600 copies of each letter were mailed under Government frank; information was copied from the Nation of January 17, 1942, the Hutchinson Daily News, Hutchinson, Kans., of January 5, 1942, Amarillo Daily News of January 8, 1942, and February 28, 1942.

JESSE B. GILMER,

Area Director.

I then submitted the correspondence and the enclosures to the Postmaster General and asked him whether the matter was properly frankable. I received this letter from him on April 13:

OFFICE OF THE POSTMASTER GENERAL,

Washington, D. C., April 15, 1942.

HON. H. F. BYRD,

United States Senate.

MY DEAR SENATOR BYRD: I have your letter of April 4 submitting copies of extracts from various publications, and inquiring as to their mailability free of postage under the penalty privilege.

The law governing the exercise of such privilege, embodied in section 615, Postal Laws and Regulations, restricts the use of penalty envelopes to "officers of the United States Government" solely for the purpose of transmitting in the mails free of postage "matters relating exclusively to the business of the Government of the United States."

The matter submitted by you does not appear to relate exclusively to the business of the Government within the contemplation of the law, and, therefore, it is not entitled to free transmission in the mails.

Very truly yours,

FRANK C. WALKER,

Postmaster General.

I then asked Mr. Walker, the Postmaster General, to take the proper procedure either to collect from Mr. Gilmer or to prosecute him for having sent out these communications, which I am told have been mailed all over the United States under the franking privilege.

Mr. President, I will take only a little longer.

PHILOSOPHY AND OBJECTIVES OF FARM SECURITY ADMINISTRATION

Mr. President, the Farm Security Administration is fostering and promoting projects and objectives which are contrary to the spirit and genius of the American way of life.

It is fostering class prejudices in agriculture. Its continual assaults upon commercial farming, its promotion of subsistence agriculture, and collective farming projects similar to those in Communist Russia, its flood of propaganda tending to pit small farmers as a group against big farmers as a group, all tend

to create disunity and create class antagonisms, instead of promoting unity of action of all farmers to aid each other in improving the lot of all.

I ask unanimous consent to have printed in the RECORD a statement of Edward A. O'Neal, president of the American Farm Bureau Federation, for further exposure of the philosophy and objectives of the Farm Security Administration.

There being no objection, the excerpt was ordered to be printed in the RECORD, as follows:

EXCERPT FROM STATEMENT OF EDWARD A. O'NEAL

Philosophy and objectives: The nature of some of the projects being promoted by the Farm Security Administration and the manner in which they are being carried on is aptly described by the House Appropriations Committee as follows:

"The hearings disclosed that the Farm Security Administration is carrying on many projects of a character which are not viewed with favor by the committee. Among these is the lending of money to farmers for the purchase of farms from funds provided for distress loans and in amounts aggregating as much as \$7,500 in individual cases for farms and improvements thereon. The committee does not believe that Congress intended to authorize such a farm-purchasing program with these funds. In the case of the Lord Scully estate lands in Missouri, the Administration formed a corporation of its own employees and bought 42,000 acres of land at \$26 per acre ostensibly for the purpose of selling farms to farmers removed from defense areas, but only six of such farmers had been selected up to the time of our hearings. We were advised that 361,000 acres of land have been bought in a similar manner throughout the United States and that the amounts of loans to individual farm families buying subdivisions of these tracts would run around \$7,000 to \$7,500.

"The Administration is also carrying on experiments in collective farming under a plan which appears to resemble the practice of collective farming in Communist Russia. The committee believes this is wholly contrary to the spirit and the genius of the American way of life and ought to be stopped." (P. 20, report to House Committee on Appropriations on 1943 agricultural appropriation bill.)

That the Farm Security Administration officials hesitate to abandon the philosophy which led to the establishment of these collective farming projects is repeatedly revealed in the testimony of Mr. Baldwin before the House committee.

Although Congress intended that these resettlement projects should be liquidated as soon as practicable, Mr. Baldwin stated that "there is effort being made to carry out the purpose for which they were originally built." He also stated, "We feel it would be the part of folly to abandon the few experimental attempts at cooperative farming that have been undertaken, until experience was sufficient to indicate whether they represent a hopeful pattern or not." It appears clear that it is the purpose of the Farm Security Administration, unless checked by Congress more vigorously than heretofore, to continue to carry on experiments in collective farming under a plan which appeared to the House Appropriations Committee "to resemble the practice of collective farming in Communist Russia."

Additional evidence of this purpose is given in an article entitled "National Land Tenure Objectives," published in the July 1942 Land Policy Review, a publication issued monthly by the Bureau of Agricultural Economics of the United States Department of

Agriculture. The article was written by Mr. Paul V. Maris, an official of the Farm Security Administration. After listing a catalog of objectives, Mr. Maris states that the fulfillment of such objectives would result in—among other things—"possibly 1,000,000 farm families on farms operated cooperatively under long-term leases. It is difficult to predict at this time the proportions to which this new tenure pattern may ultimately expand."

Information on the philosophy and objectives of the officials of the Farm Security Administration is not only revealed in the article of Mr. Maris, but also in a statement entitled "Long-time Tenure Objectives," which Mr. Baldwin stated "was prepared by various people in my organization." He also stated that the "document does not represent necessarily the views of my staff or my organization," and that "I think it is a very intelligent discussion of tenure problems generally and, on the whole, I think it is a very fine report on the matter of Government ownership of land." If it is agreeable, I would like to insert a copy of this document in the record at this point. It was distributed by representatives of the Farm Security Administration from Washington at a meeting of Farm Security Administration employees in attendance at a meeting at Columbus, Ohio, in May 1941. I assume it was distributed in other regional conferences. Most of the objectives in this document are also included in the article written by Mr. Maris in Land Policy Review, which obviously is an official publication of the United States Department of Agriculture.

Several of the long-time tenure objectives are especially significant. One of them refers to collective farming and reads as follows: "Expand cooperative farm leasing and purchasing associations as rapidly as experience justifies. See to it that low-income groups not well adapted to operation and management of independent farm units are included among those served by leasing co-ops."

A good many of the objectives outlined are, of course, meritorious. Two, however, are somewhat startling. One of these reads: "Exercise of the rights of public domain as a means of securing the subdivision of large land holdings. * * * The other is as follows: "Acquire Government title to as much land as possible. Retain land now held by the Government." One result of expanding Government ownership of land would be the necessity of adding Government employees to manage it.

LOBBYING ACTIVITIES OF FARM SECURITY ADMINISTRATION IN BEHALF OF APPROPRIATIONS

Mr. BYRD. Mr. President, according to the testimony before the Senate Appropriations Subcommittee, an article in the New Republic magazine, February 23, 1942, entitled "Who Speaks for the Farmers?" containing slurring attacks upon various Senators and Ed O'Neal, president of the American Farm Bureau Federation, was reprinted and distributed under Government frank by the F. S. A. to its employees in Arkansas. The article evidently was reprinted at Government expense.

According to reports from various sections of the country, representatives of the F. S. A. have been busily engaged in contacting farmers to get support for their activities. For example, in Arkansas the executive committee of the Johnson County Farm Bureau were approached by a representative of the F. S. A. with a typewritten prepared statement which they were asked to sign, endorsing the work of the F. S. A.

During the hearings of the Joint Committee on Reduction of Nonessential Federal Expenditures Judge R. K. Greene, probate judge of Hale County, Ala., presented two affidavits, one by Mr. W. B. Bynum, who was formerly employed as Assistant Rural Rehabilitation Supervisor in Jackson County, Ala.; and another by Mr. S. L. Griffin, Assistant County Rural Rehabilitation Supervisor in Hale County, Ala. In Mr. Bynum's sworn statement he stated that in October 1941 F. S. A. employees were called to a bi-district meeting at Huntsville, Ala., during which Mr. E. S. Morgan, the Regional Director, in an address, "praised the supervisors for their part in winning the fight to prevent consolidation of agricultural agencies" and "he specifically praised them for getting letters written to their Senators and Congressmen opposed to consolidation." Mr. Bynum also stated that Mr. Morgan told the F. S. A. employees "that every client should be a voter and should be contacted and urged to pay his poll tax up-to-date, explaining that Farm Security already has the appropriation for the current year, but that these clients may be needed in the future for new appropriations and to maintain the F. S. A. as a separate organization."

Mr. Bynum also reported that Mr. M. H. Pierson, State Farm Security Administration director, addressed the Farm Security Administration employees after Mr. Morgan, asking "How many of you people present have your poll taxes paid?" and stating that every employee should see that his own poll taxes were paid.

A copy of the sworn statement by Mr. Bynum appears on page 708, part 3, of the hearings of the joint committee.

The sworn statement of Mr. Griffin states that he attended a bidistrict meeting of farm and home supervisors of the Farm Security Administration held in Birmingham, Ala., in September 1941, at which time Mr. E. S. Morgan, regional director, addressed the group "recounting a history of a recent fight which the Farm Security Administration had had" and complimenting "the supervisors on the good work they had done in contacting political influences and having sufficient political influences exerted on Congressmen and Senators." Mr. Griffin's affidavit further stated:

Mr. Morgan further stated that he would have other fights to hold our appropriations. Mr. Morgan said that those on the program at this time plus those who had been dropped were equal to about one-seventh of all farm families in the region. He stated that Farm Security Administration was now authorized to reinstate all of those former clients who had been dropped. He said these should become qualified voters and that any client who wished to borrow money from Farm Security Administration for the payment of poll taxes could do so. Mr. Morgan said that we would have that many more voters.

Mr. R. L. Vanzant, assistant regional director, also addressed the meeting and stated that if any loan docket was turned down in the loan-approval office because of poll-tax loans, to write him a personal letter and that he would see that such loans were approved. (Hearings, Joint Committee on Reduction of Nonessential Federal Expenditures, pp. 708-709.)

Mr. President, I ask unanimous consent to have printed in the RECORD a telegram and a letter with an accompanying statement relative to this matter.

There being no objection, the matters were ordered to be printed in the RECORD, as follows:

CLARKSVILLE, ARK., April 24, 1942.

W. R. OGG,
American Farm Bureau Federation,
Washington, D. C.

Mr. Robert Plugge and I agreed to give Farm Security Administration a personal statement for local use intended to clear the county unit of some of the accusations made generally. We started to compose this statement and same was not typed at that time. We therefore did not sign or authorize anyone to sign the statement for us. Later five copies of a prepared and typed statement were presented to us by county Farm Security Administration supervisor with the request that we present it to the county farm bureau executive committee for approval and signatures. The implications of the statement were such that we and the entire membership of the executive committee could not afford to sign.

J. W. WILSON,
President, Johnson County Farm Bureau.
ROBERT PLUGGE, Secretary.

JOHNSON COUNTY FARM BUREAU,
Clarksville, Ark., April 23, 1942.

Mr. W. R. OGG,
American Farm Bureau Federation,
Washington, D. C.

DEAR MR. OGG: In complying with your request in telegram of April 23, please find enclosed copy of statement which the local farm-security supervisor requested the executive committee to approve and sign.

Yours very truly,

J. W. WILSON, President.
ROBERT PLUGGE, Secretary.

We note in the February issue of the Arkansas Gazette various statements criticizing the farm-security program, this information having come from R. E. Short, president of the Arkansas Farm Bureau, and William C. Carr, investigator for the National Farm Bureau. While the Johnson County Farm Bureau would have no knowledge of the farm-security projects in other States or other parts of the State, we do know, because of services that we have had in the Johnson County Farm Security Administration, that the program in this county is doing a wonderful lot of good.

We also know that the statement, "the rural-rehabilitation supervisor's salary is based upon the number of clients in his particular county" is definitely not true so far as Johnson County is concerned. We would like to add that the supervisors in this county have never made solicitations to get applicants on the program. The local farm bureau has always been able to work in harmony with the farm-security set-up in our county.

We appreciate helpful criticism and know that the Farm Security Administration is trying to be a help to the people instead of a hindrance; therefore, we would like to say that the articles that appeared in the Arkansas Gazette regarding the farm-security program do not apply to this county.

JOHN W. WILSON,
President, Johnson County Farm Bureau.
ROBERT PLUGGE, Secretary.

BROADENING OF ELIGIBILITY OF FARM SECURITY ADMINISTRATION CLIENTS AS NEED DECLINED

Mr. BYRD. Mr. President, another evidence of the declining need for F. S. A. funds and the resourcefulness of the agency in devising ways and means to increase its large appropriations and its

enormous pay roll to expend these appropriations is the expansion of the eligibility for free grants of money to farmers which was made by the F. S. A. in 1941 in connection with its appropriations for the fiscal year 1942.

Comparison of the justification statements submitted by F. S. A. in behalf of its appropriations for loans, grants, and rural rehabilitation for the fiscal years 1940, 1941, and 1942, shows that for 1942 the eligibility of persons entitled to receive free grants was greatly broadened. Previous to that time, grants were supposed to be confined to "victims of natural catastrophes" and to "indigent families living in rural areas who cannot obtain aid from other sources and who, but for these emergency grants, might suffer hunger or disease." But for 1942 this was broadened to include "to aid standard rehabilitation loan borrowers" whenever in the judgment of F. S. A. this was necessary, and even extended to other farm families who "are on the brink of becoming standard rural rehabilitation clients." (See excerpts.)

Thus, when farm income had increased so greatly that the need for grants had greatly declined, the eligibility was broadened so that grants could be made to more people.

The table shows that even in 1941 before the eligibility for grants was broadened, only \$5,723,846.59 was expended for "distress and emergency" out of a total of \$16,998,832.12 expended for grants.

JUSTIFICATION OF THE APPROPRIATIONS FOR FARM SECURITY ADMINISTRATION GRANTS.

1940 appropriation

Rural rehabilitation direct relief: Direct relief under the rural rehabilitation appropriation is extended not only to farm families who are the victims of natural catastrophes, such as drought or flood, but to indigent families living in rural areas who cannot obtain aid from other sources and who, but for these emergency grants, might suffer from hunger or disease. Past experience has shown that major catastrophes occur somewhere in the country every year. These cash grants cease when the families can begin their own rehabilitation or can be assisted through rehabilitation loans based on farm and home plans. Cash grants of direct relief are administered on investigation and determination of need in individual cases. (P. 1214, House hearings on 1940 agricultural appropriation bill.)

1941 appropriation

Rural rehabilitation direct relief: Direct relief under the rural rehabilitation appropriation is extended not only to farm families who are the victims of natural catastrophes, such as drought or flood, but to indigent families living in rural areas who cannot obtain aid from other sources and who, but for these emergency grants, might suffer from hunger or disease. Past experience has shown that major catastrophes occur somewhere in the country every year. Droughts and floods have disastrously affected large portions of many States this year. These cash grants cease when the families can begin their own rehabilitation or can be assisted through rehabilitation loans based on farm and home plans. Cash grants of direct relief are administered on investigation and determination of need in individual cases. Employable recipients of such payments are required to perform work on useful public projects, under authority of section 3 (c) of the Emergency Relief Appropriation Act of 1939. (P. 983, House hearings on 1941 agricultural appropriation bill.)

1942 appropriation

Project 2. Rural Rehabilitation Grants

Objective: To extend direct relief to farm families who are victims of natural catastrophes, such as drought, flood, freeze, or insect ravages, and to indigent families living in rural areas who cannot obtain aid from other sources and who, but for emergency grants, would suffer from hunger or disease; and to aid standard rural rehabilitation loan borrowers where rehabilitation can be accomplished only by such additional aid, usually where unforeseen emergencies not anticipated in the farm management plan arise. * * * Many other farm families are on the brink of becoming standard rural rehabilitation clients, these being generally those families who have a very low present but substantial future prospective income and earning ability. With some assistance through rehabilitation grants and substantial aid and assistance through the preparation of adequate farm and home plans, a rehabilitation loan may be made to these families to, and thereby more rapidly, assist them to become self-supporting. * * * Also when rehabilitation can be accomplished only by such additional aid. (P. 135, pt. 2, House hearings, 1942 agricultural appropriation bill.)

Source: House hearings on the Department of Agriculture's appropriation bills for the fiscal years 1940, 1941, and 1942.

GRANTS NO LONGER CONFINED TO DISTRESS AND EMERGENCY CASES

The attached table shows that the outright gifts of money to farmers which was started during the depression to relieve extreme cases of distress and destitution due to unavoidable disasters are no longer confined to such cases, but, in fact, this kind of cases constituted only one-third of all the expenditures for grants to farmers during the fiscal year 1941, while payments to farmers in connection with farm and home operations accounted for over one-half of all grant payments that year.

Of the \$16,998,832.12 expended for grants, \$5,723,846.59 went to distress and emergency cases, \$9,072,404.77 went to farm and home operations, and the remainder to health and medical and to sanitation.

This is an amazing situation in view of the official justification submitted to Congress in 1940 by the F. S. A. in support of its appropriation for grant payments for the fiscal year 1941. In this statement Congress was told that this money was to be given only to "victims of natural catastrophes" and to "indigent families living in rural areas who cannot obtain aid from other sources and who, but for these emergency grants, might suffer from hunger or disease." The whole import of this statement is that the money was to be used for such types of extreme destitution arising out of catastrophes and other emergencies. The statement further said that—

These cash grants cease when the families can begin their own rehabilitation or can be assisted through rehabilitation loans based on farm and home plans.

Mr. Baldwin, in his testimony before the Joint Committee for the Reduction of Nonessential Expenditures and in his testimony before the House and Senate Appropriations Committees, admitted that grant payments were made to rural rehabilitation clients who also had ob-

tained rural rehabilitation loans. Evidence was submitted to the joint committee in the form of original copies of F. S. A. farm and home plans, which revealed that in some areas at least there is a general practice of making outright grants to rural rehabilitation-loan clients who are operating on a farm and home plan, although the F. S. A. told Congress, as indicated above, that grants cease when clients "can be assisted through rehabilitation loans based on farm and home plans."

Rural rehabilitation grants by purposes, July 1, 1940, through June 30, 1941

Distress and emergency.....	\$5,723,846.59
Health and medical.....	1,248,394.00
Sanitation.....	954,186.76
Farm and home operations.....	9,072,404.77

Total..... 16,998,832.12

Source: Hearings before the Joint Committee on the Reduction of Nonessential Federal Expenditures, pt. 2, p. 370.

Data submitted to the joint committee showed that in some areas, at least, there is extensive use of the grant payments to help repay loans and thereby make the loan records look better. Specific cases were cited wherein clients were forbidden to cash their grant checks and were told by F. S. A. employees that these grants would be used to help repay their loans.

In Mississippi an F. S. A. employee admitted that the grant check was used for the sole purpose of improving the financial status of clients—page 821,

hearings, joint committee. Similar use of the grant payments were reported in Alabama and Arkansas—pages 830-831, hearings, joint committee.

FEBRUARY 14, 1942.

My name is Will Knight. I live at Burkville, Ala.

In 1935 I was living in Mount Willing, Ala. In the fall of 1935, a lady who was working for the Farm Security Administration came to see me and asked me to go on the Government. I believe the lady's name was Miss Walton.

The Farm Security Administration set me up and gave me 2 steers, 1 milk cow, 100 baby chicks, 1 plow, a pressure cooker, and 23 dozen fruit jars.

The value of my crop sales since 1935 would not exceed \$175. This amount would not pay my rent. I haven't raised enough to pay the Farm Security Administration anything on my indebtedness.

I have received grant checks each year. Mr. Sallee, of the Farm Security Administration, told me to sign the grant checks and give them back, and they would be put in the bank, and used to pay off my payments when they came due.

WILL KNIGHT.

On margin:

I was present when this was taken and it is a true statement of Will Knight and a true signature by him.

R. W. YOUNG,
Burkville, Ala.

FEBRUARY 21, 1942.

My name is George Fuller. I live at Talladega, Ala., rural free delivery No. 2.

I got on the Government in 1938. I had enough money left over each year to make my payments to the Government. I have

received grant checks each year for the past 3 years. I was told by the Farm Security Administration to bring the grant checks to them and they would put them in the bank with the rest of my money, and then use it to pay off my payment to the Government.

I haven't been able to make a crop, because the Farm Security Administration doesn't give me my money to plant the crop until 3 months after it should have been planted.

his
GEORGE X FULLER.
mark

Witness to mark:

JOHN CASTLEBERG.

CASE OF SANDY GARRETT, CHILDERSBURG, ALA.

The attached photostat of the farm and home plan of Sandy Garrett, Childersburg, Ala., shows a work grant of \$84 and a new loan of \$274.20, making his total loans \$1,107.55 and his total grants \$202.65. He has made a repayment of \$27.79.

There is also attached a copy of a letter from the county rural rehabilitation supervisor of the F. S. A. to Sandy Garrett, in which the supervisor tells him to bring the check to the Farm Security office. He also says that this grant was necessary to balance the 1940 farm and home plan.

This shows clearly that the grant payment is used to balance farm and home plan of rural rehabilitation loan clients. I ask that the table be printed in the RECORD.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

FARM AND HOME PLAN

PART I.—PERSONAL DATA

Form FSA 5-RR-14

For Year 1941.

Type of Loan: New..... Sup. x
Std..... Coop..... Subs.....

Name: Sandy Garrett. Wife, Lena.

Ages: Applicant, 41; Wife, 39; Boys, 20, 15, 5; Girls, 13, 9, 7, 2.

We are renter of 60 acres. We have a written lease for 1941 to 1945 with renewal clause. It provides for 1/4 share and/or \$..... annual cash rental payments. We will not operate the same farm this year.

Case No. 1-61 36472
Race: Colored

Address: Route 1 Childersburg.
(Last year)
Route 2 Talladega.
(Present)
We will not operate

PART II.—ANALYSIS OF PREVIOUS LOANS

TABLE A

Year	Loan	Grant	Operating capital to be deposited	Amount deposited	Repayment	Balance due	Estimated income	Actual income	Net worth
1939.....	\$553.70	\$20.00	\$253.70	\$41.25	\$27.79		\$379.25	\$73.25	\$260.40
1940.....	279.65	99.65		56.77			345.80	150.00	71.58
Total.....	833.35	119.65			27.79	\$805.56	725.05	223.25	

PART III.—CROP, FOOD, AND LIVESTOCK PRODUCTION

TABLE B.—Estimated production and disposal of crops for coming year

Crop	Acres		Seed		Fertilizers		Yields		Operator's share	Home use		For sale		
	Planned	Planted	Kind	Amount	Kind	Amount	Acres	Total		Units	Value	Units	Price	Value
Sorghum.....	3/4		T. S. L.	1 pk	6-8-4	100	80	60	45	40	\$12.00			
S. Pot.....	3/4		Porto R.	1 bu	4-10-7	100	80	60	60	60	30.00			
L. Pot.....	3/4		Cobbler	2 bu	4-10-7	200	120	30	30	30	18.00			
Peas.....	1		Crowder	1 bu			8	24	18	10	12.50			
Garden.....	1										60.00			
Peanuts.....	1										4.80			
Oats.....	(5)		Spanish	1 bu	6-8-4	100	16	16	16	8				
Wheat.....	(2)		T. R. P.	10 bu		1,942								
Grass.....	5		A. B. S.	2 bu		1,942								
Soy B.....	4		Wild hay				1/2 T	2 1/2 T	1 1/2 T					
Corn.....	25		O-Too-Tan	60 lbs			4	4	3 T					
Cotton.....	15		Mixed	2 1/2 bu	Soda	400	14	350	2,625	36	21.60			
C. S.....			D. P. L.	15 bu	6-8-4	3,000	240	3,600	2,500			2,500	\$0.08	\$200.00
A. W. Peas.....	(8)		A. W. P.	150			360	5,400	6,750			2,500	20.00	25.00
Total.....	49 1/2							Turn under			158.90			225.00

TABLE C.—Production and disposal of livestock and livestock products

Kind	We own	Will buy	Will produce	Number of producing animals	Production per animal	Death loss	Total	Farm use	Home use		For sale		
									Units	Value	Units	Price	Value
Work stock	1	1					2						
Hogs	2		5	1	5	2	5	1	4	\$48.00			
Cows	1		1	1	1		2						
Poultry	10	12	88	22	4			20	68	20.40			
Cream													
Milk			360	1	360		360	60	300	30.00			
Butter									105	21.00			
Eggs			110	22	5		110	14	96	14.40			
Total										\$133.80			

Total All Cash Sales From Farm (tables B and C), \$225.00.

TABLE D.—Canned food

Has pressure cooker.

Containers on hand				Quarts to be canned							Standard for family		
Pints	Quarts	Half gallons	Total quarts	Vegetables	Tomatoes	Fruits	Sweets	Meats	Total	Value			
	24	133	145	170	90	140	10	(25)	410	\$60.25	765		

Total value food produced at home (tables B, C, and D) \$352.95.

TABLE E.—Feed to be consumed for 12-month period, ending Dec. 31, 1941

Kind of livestock	Number	Feeding period	Corn	Oats	Hay	Cottonseed meal	Pasture	
							Acre	Carrying capacity
Work stock	2	10	120		3		2	2
Sows	1	10	30					
Other hogs	3	8	45					
Cows	1	10	20		2	2,000	2	1
Poultry	22	10	15					
Total feed needs			230		5	2,000		3
Amount on hand			20.00		1½T		5	
To be purchased			40.00					

Total feed purchased \$40.

Landlord plans to furnish pasture.

Operating capital being reduced within client's ability to repay.

PART IV.—FINANCIAL PLAN FOR COMING YEAR

TABLE F.—Farm operating

Item	Total expenses	We can pay	Paid from operating capital	We need to borrow
Seed	\$27.00	\$8.00		\$19.00
Feed	40.00			40.00
Fertilizer	52.20			52.20
Threshing and ginning	25.00	25.00		
Recording fee	2.00			2.00
Rent	14			
Machinery repairs	8.00			8.00
Machinery hire				
Hired labor				
Taxes and insurance				
Livestock expenses	4.00			4.00
Total for farm	158.20	33.00		125.20

TABLE G.—Cash living

Item	Total expenses	We can pay	Paid from operating capital	We need to borrow
Food	\$61.00	\$16.00E (25.00)G		\$20.00
Clothing	45.00	25.00E (20.00)G		
Personal	18.00	18.00E		
Medical	27.50	(27.50)G		
Household operation	8.50	8.50E		
Household upkeep				
Household furniture	6.50	6.50E		
Canning equipment	11.50	(11.50)G		
Education	12.65	12.65E		
Total for home	190.65	170.65		20.00

TABLE H.—Capital goods for farm and home

Item	Total expenses	We can pay	We need to borrow
Livestock, 1 mule	\$125.00		\$125.00
Machinery, 1 spool wire	4.00		4.00
Household equipment			
Pressure cooker			
Old debts (not F. S. A.)			
Total capital goods	129.00		129.00

TABLE I.—Financial summary

RECEIPTS:		
Work	\$50.00E	
Total from farm (tables B and C)	225.00	
A. A. A. payment this year 1941	112.00	\$45.00E
1940 rental	60.00	
Cash repayment	45.12	
Work grant	84.00	
Total cash receipts		576.12
EXPENSES:		
Operating capital deposit	\$145.20	
Amount due on F. S. A. loan this year	54.84	
We can pay (tables F, G, and H)	203.65	
Amount to be paid on past F. S. A. loans	172.12	
Amount to be paid Corporation		
Total expenditures		575.81
Balance		.81

TABLE J.—Repayment schedule

ITEM	Total loan	First year	Second year	Third year	Fourth year	Fifth year	Sixth year	Seventh year	Eighth year	Ninth year	Tenth year
Farm Security Administration loan this year:											
Capital (tables F and G).....	\$145.20	\$29.04	\$29.04	\$29.04	\$29.04	\$29.04					
Capital goods.....	129.00	25.80	25.80	25.80	25.80	25.80					
Operating capital deposit.....	(274.20)	145.20	145.20	145.20	145.20	145.20					

PART V.—FINANCIAL STATEMENT AS OF _____, 19____

ASSETS				LIABILITIES					
				Item	Unpaid balance	To mature this year	Date due	Amount past due	Total to be paid this year
Cash on hand.....	\$.....	Growing crops.....	\$.....	Real estate liens:					
Accounts receivable.....		Seed.....		1st.....	\$.....	\$.....		\$.....	\$.....
R. E. and buildings (....a).....		Feed.....		2d.....					
Machinery.....		Food on hand.....		Liens, personal property:					
Small tools.....		Household goods.....		Taxes.....					
Mules.....	No.....	Other.....		Judgment.....					
Cattle.....	No.....			Other.....					
Sheep.....	No.....			Total.....					
Sows.....	No.....			Total liabilities.....	\$.....				
Other hogs.....	No.....			Net worth.....					\$.....
Poultry.....	No.....								
Total assets.....	\$.....		\$.....						

PART VI.—REPORT OF LAST YEAR'S BUSINESS

Value of food on hand last year was \$64; is \$34.70.									
Total estimated and actual income last year.....									
Farm operating expenses last year.....				\$60.00	Income from crops last year.....				\$40.00
Payment of FSA loan last year.....				45.12	Income from livestock last year.....				
Payment, other debts last year.....					Income from other sources.....				110.00
Cash living expenses last year.....				44.88	Total.....				150.00
TOTAL.....				150.00					

Per acre yields last year were: Cotton 120 on 13 acres; Peanuts 20 on 1 acre; Tobacco..... on..... acres; Corn 8 on 16 acres; Hay ½ on 6 acres; Wheat..... on..... acres; Oats..... on..... acres.

I hereby certify the above statements to be correct. I have read, or have had read to me, the above plan and I agree to operate my farm accordingly in crop rotation, soil-building practices, and other necessary changes to be adjusted with an annual supplement for a period of 5 years.

Applicant, Sandy Garrett; Homemaker, Lena Garrett. Date 3- 5-41

Approval Recommended: Rural Rehabilitation Supervisor, H. P. Hines. Date 3- 5-41

Home Supervisor, Martha S. Tinney. Date 3- 5-41

Approved: District Farm Supervisor, Boardman N. Ivey. Date 3-14-41

District Home Supervisor, Sally V. Partrich. Date 3-14-41

UNITED STATES DEPARTMENT OF AGRICULTURE,
FARM SECURITY ADMINISTRATION,
Talladega, Ala., April 5, 1940.

Subject: Grant.

TO SANDY GARRETT, ROUTE 1, CHILDERSBURG, ALA.:

We have requested a grant for you in the amount of \$99. You should receive this check within a few days. This check will come directly to you. When the check comes be

From FSA 5-RR-14.

For year 1940.

Type of loan: New.... Sup. x

Std. x Coop.... Subs.

Name: T. D. Wilcox. Wife: Belle.

Ages: Applicant, 57; wife, 55; boys, 14, 10, 7; girls, 19, 16.

We are renter of 145 acres. We have a written lease for 1940 to 1941 without renewal clause. It provides for 1,000 pounds lint cotton. We (will) (will not) operate the same farm this year.

sure to bring it to the Farm Security Administration Office and we will deposit it with your loan check. This grant was necessary to balance your 1940 farm plan.

Sincerely yours,

A. M. HOCUTT, Jr.,
County Rural Rehabilitation Supervisor.

CASE OF T. D. WILCOX, LINCOLN, ALA.

Mr. BYRD. I present the farm and home plan of T. D. Wilcox, Lincoln, Ala.,

FARM AND HOME PLAN

PART I—PERSONAL DATA

Case No. 1-61-31451

Race: White.

Address: Lincoln, Ala., Route 1.

Lincoln, Ala., Route 1.

We (will) (will not) operate the same

which shows that he received a work grant of \$94.70, also a loan that year of \$182.33. The farm and home plan would not balance so the first year following he was not required to make any payment. I ask that the table be printed in the RECORD at this point.

There being no objection, the table was ordered to be printed in the RECORD, as follows:

PART II—ANALYSIS OF PREVIOUS LOANS

TABLE A

Year	Loan	Grant	Operating capital to be deposited	Amount deposited	Repayment	Balance due	Estimated income	Actual income	Net worth
1939.....	\$515.00		\$268.00	\$106.35		\$515.00	\$415.50	\$204.85	\$215.50

PART III.—CROP, FOOD, AND LIVESTOCK PRODUCTION

TABLE B.—Estimated production and disposal of crops for coming year

Crop	Acres		Seed		Fertilizers		Yields		Operator's share	Home use		For sale		
	Planned	Planted	Kind	Amount	Kind	Amount	Acres	Total		Units	Value	Units	Price	Value
Cane.....	1/8		Ga. R. C.	1 gal.	6-8-4	100	80	40	40	40	\$12.00			
*1 Pot.....	1/4		Cobbler	1 sk.	6-8-4	100	60	15	15	15	9.00			
S. Pot.....	1/8		Porto R.	1 bu.	6-8-4	100	80	40	40	40	20.00			
Peas.....	1/8		Table	1/4 bu.			6	3	3	3	10.80			
*Garden.....	1/2		Home use								40.00			
*Peanuts.....	1/2		Spanish	1 bu.			20	10	10	10	6.00			
*Oats.....	5		R. P.	10 bu.			1,000	5,000	5,000					
*Soy Beans.....	4		O-too-tan	1 bu.			1,500	6,000	6,000					
Cotton.....	14		D. P. L.	12 bu.	6-8-4	4,000	230	3,220	2,220			2,220	\$0.08	\$177.60
C. S.....	(14)						350	4,500	4,500			4,500	20.00	49.00E
Corn.....	20		Hastings	3 bu.	soda	600	15	300	300	18	10.80			
Total.....	45 3/4										108.60			226.60

TABLE C.—Production and disposal of livestock and livestock products

Kind	We own	Will buy	Will produce	Number of producing animals	Production per animal	Death loss	Total	Farm use	Home use		For sale		
									*Units	Value	Units	Price	Value
Work stock.....	2						2						
Hogs.....		2					2	2	400	\$24.00			
Cows.....	1						1						
Poultry.....	35		175	35	5	35	175		75	22.50			
Cream.....													
Milk.....	1			1	250		250	50	200	40.00			
Butter.....	1		75	1	75		75		75 lb.				
Eggs.....	35		175	35	5		175	15	140	28.00	20	\$20	\$4.00E
Total.....										114.50			4.00

Total all cash sales from farm (tables B and C) \$230.00.

TABLE D.—Canned food

Containers on hand				Quarts to be canned							Standard for family
Pints	Quarts	Half gallons	Total quarts	Vegetables	Tomatoes	Fruits	Sweets	Meats	Total	Value	
			222	100	80	72		(20)	242	\$34.70	595.

Total value food produced at home (tables B, C, and D), \$257.80.
Will buy pressure cooker.

TABLE E.—Feed to be consumed for 12-month period, ending Dec. 1, 1940

Kind of livestock	Number	Feeding period	Corn	Oats	Hay	Cottonseed meal	Pasture	
							Acres	Carrying capacity
Work stock.....	2	10	100		4T		50	P
Sows.....								
Other hogs.....	2	8	20					
Cows.....	1	10	20		2T	1,000 lbs.		
Poultry.....	35	range						
Total feed needs.....			140					
Amount on hand.....								
To be purchased.....			\$74.00			\$16.00E		

Total feed purchased, \$90.
Operating capital decreased because he received grants.

PART IV.—FINANCIAL PLAN FOR COMING YEAR

TABLE F.—Farm operating

Item	Total expense	We can pay	Paid from operating capital	We need to borrow
Seed.....	\$30.00	\$9.00E	\$21.00	
Feed.....	90.00	16.00E		\$74.00
Fertilizer.....	70.70			70.70
Threshing and ginning.....	21.00	21.00E		
Recording fee.....	4.00		4.00	
Rent.....	1,000#			
Machinery repairs.....	5.00		5.00	
Machinery hire.....				
Hired labor.....				
Taxes and insurance.....	3.00	3.00E		
Livestock expenses.....				
Vet. Ser.....	5.00		.37	4.63
Lien Search.....	1.00			1.00
Pigs.....	6.00		6.00	
Total for farm.....	235.70	49.00E	36.37	150.33

TABLE G.—Cash living

Item	Total expenses	We can pay	Paid from operating capital	We need to borrow
Food.....	\$45.00	\$45.00G		
Clothing.....	32.00	22.00G		
Personal.....		10.00E		
Medical.....	17.00	(17.00)		
Household operation.....	10.00	10.00E		
Household upkeep.....				
Household furniture.....	5.00	(5.00G)		
Canning equipment.....	5.70	(5.70G)		
Education.....	10.00	10.00E		
Total for home.....	124.70	124.70		

TABLE H.—Capital goods for farm and home

Item	Total expenses	We can pay	We need to borrow
Livestock.....			
Machinery.....			
Turn plow.....	\$20.00		\$20.00
Household equipment.....			
Pressure cooker.....	12.00		12.00
Old debts (not FSA).....			
Total capital goods.....	32.00		32.00

TABLE I.—Financial summary

RECEIPTS:			
Total from farm (tables B and C).....	\$230.00		
AAA payment this year 1940.....	76.00	\$30.00E	
Cash repayment, 1939.....	75.14		
Work Grant.....	94.70		
Total cash receipts.....			476.44
EXPENSES:			
Operating capital deposit.....	\$186.70		
Amount due on FSA loan this year.....	36.46		
We can pay (tables F, G, and H).....	173.70		
Amount to be paid on past FSA loans.....	75.14		
Amount to be paid Corporation.....			
Total expenditures.....			472.00
Balance.....			4.44

TABLE J.—Repayment Schedule

Item	Total loan	First year	Second year	Third year	Fourth year	Fifth year	Sixth year	Seventh year	Eighth year	Ninth year	Tenth year
F. S. A. loan this year:											
Capital (tables F and G).....	\$150.33		\$30.06	\$30.06	\$30.06	\$30.06	\$30.06				
Capital goods.....	32.00		6.40	6.40	6.40	6.40	6.40				
Operating capital deposit.....		\$268.00	186.70	186.70	186.70	186.70					

PART V.—FINANCIAL STATEMENT AS OF _____, 19____

ASSETS		LIABILITIES				
Items		Unpaid balance	To mature this year	Date due	Amount past due	Total to be paid this year
Cash repayment \$75.14						
Cash on hand.....	\$111.51					
Accounts receivable.....						
R. E. and buildings (..a).....						
Machinery.....	35.00					
Small tools.....	6.00					
Mules..... No. 2.....	200.00					
Cattle..... No. 1.....	30.00					
Sheep..... No.....						
Sows..... No.....						
Other hogs..... No.....						
Poultry..... No. 35.....	10.50					
Total assets.....						544.91
Growing crops.....	\$20.00					
Seed.....						
Feed.....	30.00					
Food on hand.....	51.90					
Household goods.....	50.00					
Other.....						
Real estate liens:						
1st.....						
2d.....						
Liens, personal property:						
FSA.....	\$515.00	\$60.60	12-31-40			\$60.60
Int.....	14.54	14.54	12-31-40			14.54
Taxes.....						
Judgments.....						
Other.....						
Total.....		529.54		x x x		75.14
Total liabilities.....		529.54				15.37
Net worth.....						

PART VI.—REPORT OF LAST YEAR'S BUSINESS

Value of food on hand last year was \$50; now \$51.90.
Total estimated and actual income last year.....

Estimated Actual

Farm operating expenses last year.....	\$231.00	Income from crops last year.....	124.85
Payment of F. S. A. loan last year.....	60.60	Income from livestock last year.....	
Payment other debts last year.....		Income from other sources.....	80.00
Cash living expenses last year.....	45.00	Total.....	415.50 204.85
Total.....	336.60		

Per acre yields last year were: Cotton 2 on 14 acres, peanuts on acres, tobacco on acres, corn 20 on 10 acres, hay on acres, wheat on acres, oats on acres.

I hereby certify the above statements to be correct. I have read, or have had read to me, the above plan and I agree to operate my farm accordingly in crop rotation, soil-building practices, and other necessary changes to be adjusted with an annual supplement for a period of 5 years.

Applicant: T. D. Wilcox; Homemaker: Belle.

Approval recommended: Rural rehabilitation supervisor: M. E. Bishop.

Home supervisor: Lillian B. Jenkins.

Approved: District farm supervisor: A. A. Hester.

District home supervisor: Rubye N. Brook.

Date 12-27-39
Date 12-27-39
Date 12-27-39
Date 12-2-40
Date 2-2-40

Mr. BYRD. Mr. President, I desire to present to the Senate a comparison of the work done by the Farm Credit Administration with respect to loans made with that of the Farm Security Administration:

APRIL 28, 1942.

For a great many years the Farm Credit Administration, through its Emergency Crop and Feed Loan Section, has been making loans to low-income farmers who cannot obtain credit elsewhere without building up an enormous bureaucracy or imposing extreme controls over its borrowers. This is in striking contrast to the enormous cost and the extreme controls over borrowers imposed by the Farm Security Administration, through its rural rehabilitation loan program.

Both agencies loan money to low-income farmers who are unable to obtain credit elsewhere. It is interesting to compare the record of these two agencies.

The Farm Credit Administration, through its Emergency Crop and Feed Loan Section, from 1929 through 1941 made a total of 3,604,637 crop and feed loans aggregating \$405,282,820. The Farm Security Administration, up through June 30, 1941, had made a total of 1,858,275 loan agreements, aggregating a total of \$564,051,844 (p. 279, House hearings on 1943 Agricultural appropriation bill).

Up to December 31, 1941, the Farm Credit Administration had collected 2,468,064 of these loans, and a total amount of principal repaid amounted to \$289,743,680, or a total of 71.5 percent of the total amount of principal that was loaned. The Farm Security Administra-

tion, as of June 30, 1941, had collected \$180,964,361, which represented 32 percent of the total principal loaned. (Data from table submitted by the Farm Security Administration, House hearings, 1943 Agricultural appropriation bill p. 282.)

The Crop and Feed Loan Section of the Farm Credit Administration on December 31, 1941, was serving a total of 1,136,573 loans outstanding, amounting to \$115,539,140. The Farm Security Administration, according to the testimony of Administrator Baldwin before the Joint Congressional Committee on Reduction of Nonessential Federal Expenditures, in January 1942 had approximately 759,000 rural rehabilitation loans outstanding.

The difference in cost of handling the programs of these two organizations is very striking. The Farm Credit Administration, which is servicing 1,136,573 crop and feed loans to low-income farmers, in 1941 had only 1,300 employees all told, at a total yearly expense of \$3,618,692, and the average number of unpaid loans per employee was 1.164, its average yearly cost per unpaid loan was \$2.39, and the average number of loans serviced per field supervisor was 3.170.

In striking contrast, the Farm Security Administration employed a total of 18,382 employees at a total cost of \$32,205,167.

COLOSSAL EXPENDITURES FOR TRAVEL

Mr. President, I now wish to direct attention to the travel expenses of the Farm Security Administration.

The 1943 Budget allowed the F. S. A. \$5,290,000 for travel expenses in connec-

tion with its program of loans, grants, and rural rehabilitation, compared to expenditures of \$3,950,786 for this purpose in 1940, an increase of 34 percent.

The total amount to the F. S. A. allowed for travel by the 1943 Budget in connection with all of its activities amounted to \$7,414,024, compared to \$5,796,495, or 28 percent more than was expended in 1940.

The 1943 Budget allowance of \$7,414,024 to the F. S. A. for travel expenditures amounted to nearly one-half of the total funds allowed to the entire Department of Agriculture for travel expenses, aggregating \$16,595,435.

The House of Representatives restricted the total expenditures for travel in the Department of Agriculture to not to exceed \$8,000,000, which will bring about a very substantial saving to the Treasury and to the American people.

The estimate of traveling expenses for the Farm Security in 1942 is seven and a half million dollars. The actual expenses in 1941 amounted to \$6,742,000. I ask that the table be inserted in the RECORD.

THE PRESIDING OFFICER. Is there objection?

There being no objection, the table was ordered to be printed in the RECORD, as follows:

Expenditures for travel, Farm Security Administration

	1943 Budget	Estimate, 1942	Actual, 1941	Actual, 1940
Farm-tenancy program.....	583,246	627,500	537,389	417,418
Liquidation and management of resettlement projects.....	55,182	89,725	194,825	219,484
Loans, grants, and rural rehabilitation.....	5,290,000	5,291,900	4,825,226	3,950,786
Farm-debt adjustment.....	315,000	424,290	339,977	387,952
Rural-rehabilitation projects, including technical services.....	6,350	11,950	13,797	32,003
Migratory-labor camps.....	149,300	118,000	89,041	76,500
Water-utilization projects, including technical services.....	57,280	57,935	49,043	46,143
Administration.....	695,750	694,750	610,886	574,112
Emergency fund for President, defense housing, temporary shelters.....	58,508	40,544	-----	-----
Payments in lieu of taxes and for operation and maintenance of resettlement projects.....	135,908	103,820	16,313	3,756
State Rural Rehabilitation Corporation funds.....	67,500	67,500	66,128	88,341
Total.....	7,414,024	7,527,914	6,742,625	5,796,495

Mr. BYRD. I further ask that another report of the committee entitled "Enormous Increase in Expenditures Despite Reduced Need," be inserted in the RECORD.

The PRESIDING OFFICER. Is there objection?

There being no objection, the report was ordered to be printed in the RECORD, as follows:

ENORMOUS INCREASE IN EXPENDITURES DESPITE REDUCED NEED

Despite the fact that farm income in 1942 will likely reach the highest levels since 1919 and the need for relief assistance such as that provided by the Farm Security Administration has largely disappeared, this agency is seeking a large increase in the number of its permanent employees and in the expenditures for this purpose, as well as a large increase in funds for loans to farmers.

The Bureau of the Budget evidently recognized the decreased need for rural rehabilitation loans when it prepared the 1943 Budget, as it reduced the funds for loans to \$75,000,000 compared to \$120,000,000 in 1942, and com-

pared with actual expenditures of \$98,211,022 for loans in 1940. Certainly no one could properly contend that the need for relief assistance of this kind is greater now than it was in 1940. Yet the 1943 Budget proposed to allow the Farm Security Administration a total of \$18,705,623 for home and farm management services compared to \$11,871,196 for this purpose in 1940—an increase of approximately 60 percent in the expenditures for this purpose.

Similarly the 1943 Budget allows a total of \$12,533,204 for expenditures by the Farm Security Administration for investigations of applications for making, collecting, and servicing loans and grants compared to expenditures of \$7,431,543 for this purpose in 1940—an increase of about 16 percent for 1943 as compared to 1940.

SIX-YEAR RECORD

During the period of April 8, 1935, to December 31, 1942, the Farm Security Administration loaned a total of \$576,765,183.52 and expended for personal services, supplies and materials, rentals, communication, travel, transportation of things, printing and binding, advertising, heat, light, and other miscellaneous expenditures, a total of \$275,861,-

889.27. In addition, the Farm Security Administration expended a total of \$42,363,162.35 for land acquisition, \$13,937,011.76 for construction, maintenance, and repair contracts, \$11,379,781.44 for equipment purchases. These constitute expenditures made by the Farm Security Administration out of funds appropriated under the Emergency Relief Appropriation Acts from their inception April 8, 1935, to December 31, 1941, and do not include expenditures made since July 1, 1941, when the appropriations for Farm Security Administration were placed under the Department of Agriculture appropriations.

The foregoing figures cover a 6-year period of expenses and loans, which necessarily include the cost of servicing outstanding loans as well as making new loans during this 6-year period.

The 1943 Budget allows a total of 13,331 permanent field employees at a cost of \$24,070,064 compared to 9,686 permanent field employees at a cost of \$14,043,740 in the year 1940. Thus the Budget for 1943 allows 43 percent more permanent field employees and 71 percent more expenditures for this purpose than in 1940, yet the total number of clients to be served in 1943 should be very much reduced below 1940, if assistance is restricted to legitimate need.

In the fiscal year 1940 the Farm Security Administration had 1,077 employees in its Washington office, 3,497 employees in its 12 regional offices, 437 employees in its 42 State offices, 554 employees in its 222 district offices within the States, and 3,825 employees in its 2,097 county offices. These employees were engaged in the Rural Rehabilitation program and does not represent a complete roster of employees.

The 1943 Budget allows a total of 19,448 permanent field employees at a cost of \$34,131,375 compared to 14,586 permanent field employees in 1940 at a cost of \$22,119,347.

The total expenses for personal services, travel, and all other purposes except loans and grants, which are allowed in the 1943 Budget, amount to \$44,346,282.

Consolidated schedule of obligations under "Loans, grants, and rural rehabilitation"

By projects or functions	Obligations			
	Estimate, 1943	Estimate, 1942	Actual, 1941	Actual, 1940
1. Rural-rehabilitation loans, Farm Security Administration.....	\$73,580,000	\$118,150,000	\$124,219,670	\$97,676,025
2. Rural-rehabilitation grants, Farm Security Administration.....	9,850,000	17,745,939	17,114,144	24,053,985
3. Rural-rehabilitation services:				
(a) Farm and home management assistance:				
Farm Security Administration.....	18,705,623	18,557,418	14,713,962	11,871,196
Forest Service.....	8,182	8,182	5,476	4,192
(b) Investigation of applications, and making, collecting, and servicing loans and grants: Farm Security Administration.....	12,533,204	12,434,400	9,546,486	7,431,543
4. Farm-debt adjustment, Farm Security Administration.....	1,796,580	2,400,000	1,777,000	1,902,933
5. Rural-rehabilitation projects, including technical services:				
(a) Improvements to existing projects: Farm Security Administration.....	275,000	350,000	335,180	748,224
(b) Special and work relief projects: Farm Security Administration.....	75,000	250,000	108,915	241,628
6. Migratory-labor camps:				
(a) Operations, maintenance, and management: Farm Security Administration.....	2,766,565	1,907,000	1,396,193	-----
(b) Development and construction: Farm Security Administration.....	733,435	3,093,000	3,191,648	5,010,733
7. Water-utilization projects, including technical services:				
Farm Security Administration.....	1,810,000	2,270,000	1,117,050	829,970
Soil Conservation Service.....	-----	240,000	340,909	790,158
8. Administration: Farm Security Administration.....	7,202,693	7,159,500	6,596,620	6,509,823
9. Reimbursements for work done for other bureaus and agencies.....	60,000	60,000	23,484	-----
Grand total obligations.....	129,396,282	184,625,439	180,546,737	157,797,664
Reimbursements for work done for other bureaus and agencies.....	-60,000	-60,000	-23,484	-----
Net total obligations.....	129,336,282	184,565,439	180,523,253	-----

Expenditures for permanent field employees, Farm Security Administration

	Budget, 1943		Estimate, 1942		Actual, 1941		Actual, 1940	
	Number of employees	Expense	Number of employees	Expense	Number of employees	Expense	Number of employees	Expense
Farm-tenancy program.....	507	\$1,102,002	556	\$1,205,771	622	\$1,223,880	495	\$923,635
Liquidation and management of resettlement projects.....	79	164,572	147	321,052	443	883,640	569	1,077,891
Loans, grants, and rural rehabilitation.....	13,821	24,070,064	13,887	23,906,070	11,622	18,046,074	9,686	14,043,740
Farm-debt adjustment.....	640	1,148,365	906	1,549,205	749	1,254,020	861	1,335,660
Rural-rehabilitation projects, including technical services.....	13	28,120	16	29,401	22	40,957	74	127,304

Expenditures for permanent field employees, Farm Security Administration—Continued

	Budget, 1943		Estimate, 1942		Actual, 1941		Actual, 1940	
	Number of employees	Expense	Number of employees	Expense	Number of employees	Expense	Number of employees	Expense
Migratory labor camps.....	781	\$1,355,990	548	\$947,593	399	\$672,026	225	\$391,944
Water utilization projects, including technical services.....	94	175,860	96	176,359	100	150,609	85	128,990
Administration.....	2,089	3,702,654	2,061	3,629,898	2,017	3,262,377	2,181	3,453,725
Water conservation.....	185	326,392	101	177,295				
Emergency fund for President, defense housing, temporary shelters.....	605	810,685	433	557,938	8	1,116		
Payments in lieu of taxes and for operation and maintenance of resettlement projects.....	514	945,551	440	791,252	230	371,719	173	279,806
State rural rehabilitation corporation funds.....	159	300,420	164	312,717	182	332,199	217	356,652
Total.....	19,448	34,131,375	19,355	33,604,551	16,386.8	26,238,617	14,586	22,119,347

Source: The Budget of the U. S. Government for the fiscal year ending June 30, 1943, and for the fiscal year ending June 30, 1942.

HOW RURAL REHABILITATION MONEY HAS BEEN SPENT

The following table, taken from Treasury reports, indicates how much money was loaned or given away in the Rural Rehabilitation program of Farm Security Administration and its predecessor agencies from April 8, 1935, to December 31, 1941, and how much has been spent in administration:

An aggregate, according to the rural-rehabilitation-loan program principal account has been loaned in the sum of.....	\$576,765,183.52
During this same period there were grants to individuals in the sum of.....	137,326,848.00
Total.....	714,092,031.52

During this period from Apr. 8, 1935, to December 31, 1941, the following funds have been expended by Farm Security Administration for purposes other than loans or grants to farmers (excluding expenditures from July 1, 1941, to date):

Farm Security Administration personnel.....	193,022,826.66
Supplies and materials.....	30,864,896.60
Rentals for equipment, buildings, and land.....	9,452,394.59
Communication.....	2,356,496.18
Travel, including subsistence.....	28,769,439.19
Transportation of things.....	1,323,869.21
Printing and binding.....	1,844,304.53
Advertising.....	20,914.83
Heat, light, power, water, and electricity.....	759,385.47
Miscellaneous.....	2,447,372.01

Pay-roll and operating costs..... 275,861,869.27

This record shows that it cost the Government \$275,861,869.27 to carry on the Farm Security Administration and its predecessor agencies in nearly 7 years while making rehabilitation loans and grants of \$714,092,031.52. Can the results obtained possibly justify the continuance of such huge appropriations? Under the terms of the Budget for 1943, the Farm Security Administration would have had available for administrative expenses, roughly, \$1 for nearly every \$2 to be loaned or given away.

Source: Compiled from report of the President of the United States to the Congress, showing the status of funds and appropriations under the Emergency Relief Appropriation Acts for the fiscal years 1935-42, inclusive, as of December 31, 1941, VIII-E, page 211, and table I, page 480, covering rural rehabilitation loan program, principal account, status of loans receivable as of December 27, 1941.

Mr. BYRD. Mr. President, I ask to have another report inserted in the RECORD, with respect to the complete control and regimentation of clients.

The PRESIDING OFFICER. Is there objection?

There being no objection, the report was ordered to be printed in the RECORD, as follows:

COMPLETE CONTROL AND REGIMENTATION OF CLIENTS

Information and supporting evidence was presented to the Joint Committee on Reduction of Unessential Expenditures showing that the Farm Security Administration has organized its program of loans and grants in such a way that Farm Security Administration employees exercise rigid control of the business and farming plans and even the home management of their clients. The extreme extent to which this control is exercised tends to destroy the initiative and self-respect of the clients. The clients themselves frequently complain bitterly about this extreme regimentation.

This attempt to regulate in the minutest detail all the farming and home operations of clients, is one of the main reasons why this program is so extremely costly. The 1943 Budget proposes to allow and the Senate committee has approved sufficient funds to provide over \$38,000,000 for three items alone in connection with the rural rehabilitation program—\$18,705,623 for farm and home management assistance, \$12,533,204 for investigation of applications, making, collecting, and servicing loans and grants, and \$7,202,693 for "Administration."

The Farm Security Administration has organized all its programs insofar as possible, so as to get the maximum number of clients under this minute supervision and control. This so-called farm and home management service is not only applied to rural rehabilitation clients but also to tenant purchase clients, and to clients on the so-called resettlement projects, and more recently, it is being applied to clients on the so-called relocation projects where families displaced by defense projects are being relocated by Farm Security Administration.

The Farm Security Administration seeks to justify this because these loans are usually made to low-income farmers. The record of the Crop and Feed Loan Division of the Farm Credit Division which has been engaged in making loans to low-income farmers who could not obtain credit elsewhere, disproves this argument. This agency with only a small staff of about 1,400 employees and expending only about \$3,500,000 all told, is servicing twice as many loans outstanding as the Farm Security Administration with its more than 16,000 employees and expending over \$38,000,000 for rural rehabilitation, and its collection record is equally as good if not better. (See examples of regimentation attached.)

EXAMPLES OF REGIMENTATION OF CLIENTS BY FARM SECURITY ADMINISTRATION

In Mississippi Mr. William C. Carr, an investigator employed by the American Farm Bureau Federation, reported:

"They (clients) are told where to keep their bank accounts. They are not allowed to get a bank statement or to get their canceled checks. A number of clients have received bills from the Farm Security Administration. Sometimes they receive two or three with the same date but calling for different amounts." (P. 820, Hearings, joint committee.)

In Alabama Mr. Carr reported:

"Clients have no knowledge of their financial standing. Canceled checks are picked up in the bank and kept in the Farm Security Administration office as is the client's bank statement."

One client moved off the Transylvania farm (Arkansas) because the Farm Security Administration refused to permit him to keep a calf which was given to his little daughter by her grandfather. It was their contention that this calf was subject to mortgage as an asset of his, and he contended that the calf was given to his daughter, that it was her personal property and the Farm Security Administration did not have anything to do with it.

Another case in Arkansas was that of a client who, after picking his own cotton and having no work to do on his farm, went out and picked cotton for a private landowner for which he was paid a wage. His sole purpose in doing this was to bolster his income in order that he might pay off his indebtedness and provide better conditions for his family. The Farm Security Administration stopped him from doing this outside work. (P. 828, Hearings, joint committee.)

CASE OF A. P. ROBINSON, LOWNDES COUNTY, ALA.

Mr. A. P. Robinson, Lowndes County, sold a mule to Henry Tubner, a Farm Security Administration client. All checks were signed by the client and the Farm Security Administration supervisor. Such a check was issued to Mr. Robinson. The check came back marked "N. S. F." Mr. Robinson took it to the Farm Security Administration office. While he was standing there and while the client was 25 miles away he was given a new check signed by the supervisor and by the client.

THE HALL RANCH,

Richland Springs, Tex., February 8, 1942.

Mr. E. A. O'NEAL,

President, American Farm Bureau Federation, Washington, D. C.

DEAR SIR: I see by the papers you have investigated the Farm Security Administration and paint a picture of national disgrace. Congratulations!

I thrilled at the news report of February 7, 1942, in the Fort Worth Star-Telegram—I wish I could add my knowledge of Farm Security Administration in this community. I wrote Senator O'DANIEL about our case last

December, and a little research around here would add loads of new evidence of rank inefficiency, waste, vicious practices high and low in the Farm Security Administration.

More power to you and sincerely,

MILTON M. LEACH.

MARSHALL, MO., February 18, 1942.

Mr. EDWARD A. O'NEAL,
President, American Farm Bureau
Federation, Washington, D. C.

DEAR SIR: I read with interest your criticism of the Farm Security Administration in the Kansas City Star of February 6. I am the operator of 800 acres of land owned by my immediate family and have had 2 years of employment by this organization and its predecessor, the Resettlement Administration.

I think I have had a good insight as to the waste of money that has taken place through its administration by a group of men who have had no practical training in the agricultural field.

I have had two tenants who were borrowers from the Administration and have been in a good position to see how they were made loans with the understanding that they would be closely supervised, but due to the enormous amount of office work the supervisor was never given the necessary time to carry out the supervision as planned and the borrower went on as he had been doing before his loan was made, eventually getting another loan to keep him in position to carry out his original program.

I believe your stand is a justifiable one; however, you must remember this organization is old enough at present that they know how to pull the congressional strings pretty well. I imagine by this time this Administration has had its supervisors throughout the country go out and contact almost everyone that is on its pay roll and wire their Congressmen as to the necessity of the continued existence of the Administration.

We have four Government loaning agencies in our city of Marshall, all of which are handling agricultural loans, each has a separate office force, maintains a separate office, and carries on a separate line of work. I have often wondered why these offices couldn't be consolidated and the operating expense cut at least one-third.

I hope you will continue your crusade against waste; I wish I could be of help to you, and if you could use any information I may have I will be glad to give it to you in detail.

Very truly yours,

R. S. SPRINGGATE.

PUEBLO, COLO., February 12, 1941.

Mr. EDWARD O'NEAL,
American Farm Bureau Federation,
Washington, D. C.

DEAR SIR: I saw an article in our local paper (the Pueblo Star-Journal and Chieftain) last Saturday. This report concerned your investigation of the F. S. A. In my estimation you stated it very mildly. I can show you not one but practically every case in this county as bad or worse than you said; I would be glad to do it. Men who have been successful farmers and ex-service men are conspicuous by their absence. While I know a man who has been a successful farmer could not be handled the way they want, I do not know just what they have against the ex-service men. We positively know of people who were not even citizens getting a loan.

I think there should be a very intensive investigation, that it should not be dropped here. People in general here are already wondering why they should buy bonds and stamps to buy guns and ammunition when the F. S. A. is throwing away money with both hands to would-be farmers in the guise of "food for freedom." Congress does not

need to worry about losing votes by helping you, as they would gain a lot of votes. I would be glad to assist in any way I can.

Very respectfully,

J. L. TORRENCE.

MANOR, TEX., March 28, 1942.

Mr. EDWARD A. O'NEAL,
Washington, D. C.

MY DEAR SIR: The enclosed editorial explains my letter.

There are two Farm Security Administration farms in our vicinity and those of us who approved this Government venture are appalled by Farm Security Administration methods.

In view of farm conditions in our section, the debt load is top-heavy. On one farm a trench silo was built below the barn lot, across the hill, and a windmill installed, instead of the cheaper, more efficient electric pump. Waste of money for the farmer and the taxpayer.

The other, a new home site, is established in defiance of all common sense and extension service rules for house building, viz., near their line at the foot of a muddy hill, thus wasting fertilizer. Early and late frost will hamper fruit and vegetables and chickens thrive better out of a low atmosphere.

The barn and back premises of a small cottage are the main view from the front of the home; in this climate dairy odors can be very disagreeable. This set-up was endorsed by the trained home planners of the Farm Security Administration and the Austin-Travis County health unit.

The dairy sewage is illegally carried by the roadside ditch to a creek, where it pollutes that farmer's water, thus breaking another Texas law. Such proceedings would indicate that Farm Security Administration needs re-vamping from Washington to the committee-men, who seem to be only figureheads used to democracy's hurt.

If there is any way that an on-the-ground farm woman can assist to clean such Augean stables be assured of my willingness to aid.

Yours truly,

BROWN GREGG.

STARKVILLE, MISS., February 14, 1942.

I certify the following statement to be true of my experience and dealing with the Farm Security Administration:

The Farm Security Administration solicit clients by use of clients who are already on the Farm Security Administration. They solicit possible clients because of special favors extended them from Farm Security Administration. The man who solicited me received a nice grant from some cause.

The Farm Security Administration recommended and insisted that I borrow more money than there was any necessity for. When I went to them they promised that I could do all of my building except the house. They did not do this. They let contractors for all the building and forced the contractor on a labor scale to pay wages higher than was customary in our locality. I believe that I could have built my house and other building for less than one-half of what they cost me. They forced me, because of a ruling, to buy my mules from one man unless I found mules that the owner had raised and had them for sale. I believe I could have bought mules cheaper elsewhere, but did not try because I knew it was needless to try. They delivered the mules—a pair of fresh shipped, unbroke, 3-year olds—about the 1st of April, and then gave me hell because I didn't make a good crop that year as some of the other clients who had their tools and mules before the first of the year. The mules have never been satisfactory, but they have refused to let me trade for others. The buildings cost so much and they spend my borrowed money so freely that I ran the price per acre of the land so high that it is impossible for it to ever pay out. They promised me that I

could have hired help, since I had no children to help me farm 70 acres of new crop and meadow and milk 20 cows. As soon as they found out that I had a hired man, they raised hell until he left.

The Farm Security Administration plans and policies are so expensive and impossible that I realized that I could not ever pay out and left.

FRED T. JONES.

Witnessed:

WM. M. WHITE.

J. A. RANDLE.

LITTLE ROCK, ARK.

GENTLEMEN: It would be a travesty on justice to let the Farm Security Administration win a majority report from six members of the committee making an investigation of charges made by the Farm Bureau against the Farm Security Administration. Following facts can be substantiated provided members of this six-member committee render impartial decisions.

Facts as charged before the Byrd committee regarding the Jerome projects.

The Arkansas Farm Bureau has charged the Farm Security Administration is wasting money. It is my opinion that a majority of the people here agree fully with the charge made by the Farm Bureau. The Farm Security Administration, I think, should be abolished. If the investigation is continued, I think it will be disclosed fully and completely that the Farm Security Administration is a failure and corrupt. Why don't the Arkansas Farm Bureau investigate the supervisors of this Farm Security Administration and see how they are accumulating stock that is sold at auction and the hook-up between certain merchants, and how they buy and sell to the Farm Security Administration clients and how they will not let them buy with their own money the same things at the same price from other merchants with the Arkansas Farm Board investigating these charges in each county. We have had men of the Farm Security Administration investigate and they got the facts but would not turn in the facts to the Farm Security Administration head offices. They would whitewash everything. The clients were bluffed into making statements, were told that they would be cut off and everything else and they were cut out and had to sell their stock and everything back to the Farm Security Administration at auction and with the hook-up they were bought back at a low figure and sold to other clients at a large figure. Who can do or say anything against them when the Farm Security Administration clients are scared out of their rights to talk.

Arkansas Farm Bureau put the pressure on them, send some of these supervisors to the pen and they will stop.

Send me a man or men that is not connected with the Farm Security Administration and let us help you get some of this rotten stuff.

Yours respectfully,

Dr. H. D. CAMMACK,

JESS ETHRIDGE,

Hamburg, Ark.

SENECA, S. DAK., February 9, 1942.

Mr. ED A. O'NEAL,
Washington, D. C.

MY FARMER FRIEND: I read the charge you made about Farm Security Administration and I know you are 100-percent right. The disgrace the way they place these loans is not no business about it, just a big graft and red tape. No, they announce the red tape is done away with and everyone can get a seed and feed loan. I can't see why anyone here has to get a loan of that kind as we have so much crop and feed we don't know what to do with it but the Burns can get Government money to waste. Which they have done for 2 or 3 years. I hope you will be successful so it will save the taxpayers money; they

want us to buy stamps and bonds so they can waste it on these Farm Security Administration loans. I wrote LA FOLLETTE.

Yours truly,

J. H. BEAM.

RAVENNA, NEBR., February 16, 1942.

Mr. EDWARD A. O'NEAL,
President of A. F. B. F.,

Washington, D. C.

GENTLEMEN: I have been a very interested reader of the charges brought against the Farm Security Administration. I live in Sherman County, Nebr. They have not raised a crop for the last 7 years. I am 38 years old, have two boys and twin girls. Four years ago I went to the Farm Security Administration for help, and at the present time I am satisfied that I made a terrible mistake. It would take me days to tell you all the dirty, rotten things that I have had to endure through the commands and directions of the local Farm Security Administration, located at Loup City, Nebr. The truth will never come out or it would tear this country wide open.

When this was started they took men out of town, gave them more money to spend than was good for, men from the Work Projects Administration, Public Works Administration, or what have you—men that did not know how to farm. Then put men in office that did not know how to farm to run this project. This doesn't sound true, but that can be proven because that is the way it started.

After years of drought, failure of banks, farmers had to have help. Where could we get it? The Government would help us; they were helping everyone else, why not help a good farmer. Sure, we got help in the form of a 1-year plan set-up. Could you make a plan for a farm for 1 year and never change it to meet the conditions of changes of weather and other elements that come up? I can't.

We were never consulted as to what we should raise, but were told to raise this, that, and the other, whether the farm was adapted to this or that. I have seen as good a farmer as you could find, ordered to a Farm Security Administration meeting and be forced to listen to some swelled-up pup that never had a dollar till he got this job, tell these men how to farm. This up-fellow did not know how to milk a cow, believe it or not. You may wonder how this could be enforced; here it is: A great many farmers at one time or other have received grants. They were told that if they did as told they would get grants if they needed them. Now, if they did as told they would sure as hell need them in a very short time. For 3 years I tried to do as told. It cost me \$500 to do this. It sure burns me up to be run like this, lose money, and then have to listen to them tell you how they made us money or helped us. I do not know of any farmers that went to the Farm Security Administration for help but what will say this is the truth. A great many of these farmers are afraid to talk.

I don't mean to tell you that every farmer in this Farm Security Administration is pure white. I have found dead-enders in every line of business. I can find a number of farmers like myself that can tell of this or a lot more. I am not a lawyer or would write a better explanation. I am just a plain American farmer and try to live and keep my word so this will be a better country to live in. If it would help I will put \$50 to get this going. We hear about how bad it will be if Hitler takes us over, but the Farm Security Administration makes us wonder if this is really America or the tail end of Hitler's war machine?

If necessary I will have to sell out and try to get square with them, otherwise they are trying to get me to borrow money to buy 100 cows. I can't do this, the risk is too great because we may have a failure, then would

have to sell these cows and lose a lot more money or borrow more money from them to buy feed, thus keep going in deeper and deeper till it would be impossible to ever get out.

No doubt you have found a lot worse things than I have explained. I have been ordered to report every so often, and with tires off the market and the family needing the money spent for gas, it seems that they are not trying to help us in any manner. Feelings are running pretty high, and it seems to me that if something is not done before long the Farm Security Administration will certainly be responsible for a blot on the name of American citizens.

In closing I will refer you to men that I have had dealings with to confirm the fact that I am not crazy or over-rating the truth. First National Bank, Loup City, Nebr.; C. L. Dunn, Greensilt Lumber Co., Ravenna, Nebr.; J. L. Daley, Hazard, Nebr.; Pete Rerzina, commissioner of Sherman County; Judge Moehart, Loup City, Nebr.

Now, if there is anything that you want me to do in the line of getting evidence and the kind of evidence you would want, just let me know.

Yours truly,

GUY EARNEST.

SUMNER, MISS., March 7, 1942.

Mr. ED O'NEIL,
President of Farm Bureau,
Washington, D. C.

DEAR SIR: I am glad to have the honor to write to you in regard to the Farm Security Administration which exists in this part of the Nation.

I was evicted from the Sunflower Plantation, Merigold, Miss., in the spring of 1940 for political reasons.

Otis B. Casonava was supervisor of the project. He would not let me state my case to the committee; he also took my money and paid the cost of the court. I moved back to Tallahatchie County and brought my mules and tools and in December 1941 my mules and tools were turned over to the farm supervisor at Charleston, Miss., and to this day they have not yet been sold. The expenses are eating them up.

Sir, please put my case before your committee.

If you need any further information, I will be glad to let you hear from me again.

Yours truly,

BRYAN NEWTON.

CASE OF W. H. WASHBURN

W. H. Washburn, Negro, of Suttle, Ala., in a statement dated January 26, 1942, stated that he was solicited by a Farm Security Administration representative while he was plowing in his field and urged to purchase a farm on a tract of land on which the Farm Security Administration had an option. He filed an application but refused to complete the sale when he learned how he would be regimented. He said:

"After some investigation I found that if I did take one of these places that I would be unable to buy a cow, chickens, hog, or farming implements, nor could I sell any of my farm products or personal property without first going to the Farm Security Administration office and get their permission. To me this amounted to slavery as I would have signed away all my rights."

(Photostat copy of letter attached.)

Mr. Baldwin submitted an affidavit of another Farm Security Administration employee who said that he did not believe this man was solicited until after he had come to the Farm Security Administration office, but no affidavit was obtained from the employee whom Washburn stated solicited him in his field. The affidavit therefore proves nothing. Moreover Washburn's letter makes clear his attitude toward the extreme regimentation of Farm Security Administration. This regimenta-

tion is costing the Government over \$18,000,000 per year.

SUTTLE, ALA., January 24, 1942.

Mr. WILLIAM C. CARR,
Chicago, Ill.

DEAR MR. CARR: In regard to your request for information as to how the Farm Security Administration obtain their clients in Perry County, I wish to relate to you my experience with the matter.

Last summer I was plowing in my field that I rent from Mr. W. N. Cummings, of Suttle, Ala., when Mr. Grady L. Wise, of the Farm Security Administration, came to see me and told me that someone had given him my name as a good prospect to take a farm on a place that the Farm Security Administration had an option on more than 2,000 acres of land that belonged to Dr. R. C. Hanna, and that they were trying to find enough good clients to take the farms on this place, and asked me if I would not come and make an application for one of these farms.

This I did and was going to take one of them but after some investigation I found that if I did take one of these places that I would be unable to buy a cow, chicken, hog, or farming implements, nor could I sell any of my farm products or personal property without first going to the Farm Security Administration office and get their permission. To me this amounted to slavery as I would have signed away all my rights.

Yours truly,

W. H. WASHBURN.

Mr. BYRD. Mr. President, I ask to have inserted a report on Excessive Costs and Debts Placed Upon F. S. A. Borrowers.

The PRESIDING OFFICER. Is there objection?

There being no objection, the report was ordered to be printed in the RECORD, as follows:

EXCESSIVE COSTS AND DEBTS PLACED UPON FARM SECURITY ADMINISTRATION BORROWERS

The Farm Security program was intended to assist low-income farmers in becoming self-sustaining and to get out of debt. In all too many cases it has resulted in piling up excessive debts upon clients far beyond their capacity to repay. So long as they are "on the Government" and the bills are paid by Farm Security Administration, which balances their farm and home plans by means of renewal notes and outright grants whenever necessary, their standard of living is raised temporarily, but the piling up of debts finally results in discouragement and despair on the part of such clients. The clients themselves complain bitterly of these tendencies. Among the complaints against the Farm Security Administration on this score are:

1. Tendency to spend too much money on buildings and other improvements on farms purchased for resale to low-income tenants under the tenant-purchase program. Many instances were reported where good buildings were torn down against the wishes of the clients and new buildings erected. Such excessive expenditures are reflected in the cost to the borrower who has to repay these costs out of the earnings of the property.

2. Pressure exerted on clients to trade with certain business firms or with Farm Security Administration-sponsored cooperative enterprises, even though clients could have purchased goods cheaper elsewhere.

3. Losses occasioned by clients due to excessive managerial supervision by Farm Security Administration which prevented client from exercising his discretion or planning his farming operations most efficiently.

4. Encouragement and solicitation of clients to get further in debt, sometimes beyond their ability to repay out of the proceeds of their farm.

(See examples attached.)

EXAMPLES OF EXCESSIVE COSTS AND DEBTS PLACED UPON BORROWERS

Case of George Catelge, Haynesville, Ala.: George Catelge, Haynesville, Ala., purchased a farm with a tenant-purchase loan. He paid \$15 per acre for the 160 acres. Farm Security Administration tore down a house which he begged them to leave standing and built a new one. He needed his married son at home to help till the land. There was an extra house on the farm. He begged the Farm Security Administration to leave that house standing but they tore that house down also. His debt ran to \$4,800. He moved off the land because he saw he never would be able to pay off the indebtedness. He states very emphatically that both of the houses standing on the farm were as good as he would ever want and he feels he could have paid off the Farm Security Administration and owned the farm if they had not doubled the cost by putting on unnecessary improvements and refused to permit the house which he needed for his son to stand. (From supplemental report of Investigator William C. Carr.)

Case of C. M. Horn, rural free delivery 1, Alpine, Ala.: C. M. Horn, rural free delivery 1, Alpine, Ala., was a successful farmer. He owed \$600 on a tractor which he had purchased. He was talked into becoming a client of the Farm Security Administration. After 3 years they had him so deeply in debt that he knew he would never get out. He stated that it was impossible to get seed loans in time to plant his crop. They called him to town three times a week to fill out different blanks. He had mortgaged all his livestock and implements and the Farm Security Administration foreclosed and the public in general in the vicinity in which he lives feel that he is justified in his bitter denunciation of Farm Security Administration practices. He could have obtained credit anywhere and could have paid off his indebtedness. He now feels that at his age he is handicapped by having to start all over. (From supplemental report of Investigator William C. Carr.)

Case of Carlos Ingram, rural free delivery No. 3, Marion, Ala.: Carlos Ingram, rural free delivery No. 3, Marion, Ala., in a statement dated February 16, 1942, stated that "in February 1936, Mr. Lewis of the Farm Security Administration asked me if he couldn't loan me some money so I could make a crop. I signed up with the Farm Security Administration and was on their rural rehabilitation program for 4 years." He was deeply in debt and saw no chances of getting out—so he quit. In the 2 years that he has been working for himself he has paid off \$1,500 of old debts, in addition to making a living for himself and his family. This year—1942—they solicited him to become a client again. He refused. He said: "Last month Mr. Mims of the Farm Security Administration wanted me to sign up as a client again. I told him I would rather work for 50 cents a day than to never be able to call anything my own." (From supplemental report of Investigator William C. Carr.)

Case of Buss Myatt, tenant-purchase client, Marion, Ala.: Bus Myatt, tenant-purchase client, Marion, Ala., desired to have the old house remain on the land but was told that it would be necessary to build a new home. Consequently, he is in a very bad financial condition at the present time. He feels that there was a chance of seeing daylight if he hadn't been forced to pay for something he didn't need. (From supplemental report of Investigator William C. Carr.)

Case of George Fuller, Talladega, Ala.: In a statement dated February 21, 1942, George Fuller, rural free delivery No. 2, Talladega, Ala., said: "I haven't been able to make a crop, because the Farm Security Administration doesn't give me my money to plant the crop until 3 months after it should have been planted." (From supplemental report of Investigator William C. Carr.)

OTHER EXAMPLES OF INCREASED INDEBTEDNESS

In Hale County, Ala., an investigator copied a list of the first 11 Farm Security Administration mortgages on the first index page of the current index record in the probate office. This list showed the amount of the mortgages in 1939 and the amount of each corresponding mortgage in 1941. In each of these 11 cases there has been an increase, as follows:

	1939	1941
A. T.-----	\$953.35	\$1,326.79
W. W.-----	75.00	794.68
W. T.-----	328.80	761.30
J. H.-----	692.10	906.47
C. Mc-----	317.36	516.25
J. H. H.-----	623.97	748.80
C. J.-----	448.82	640.31
D. E.-----	432.65	603.15
J. W.-----	993.00	1,358.98
James W.-----	300.15	441.65
W. H.-----	270.00	848.86

This investigator further reported: "In looking through the records of the probate offices in several counties I did not find a single case in which a mortgage had been satisfied. Almost invariably they were increased." He also reported that he went over the whole list of the Hale County, Ala., mortgage index and that he was unable to find a single case where the mortgage had been satisfied. (Report of Investigator William C. Carr, p. 28, hearings, joint committee.)

EXCESSIVE COSTS ON PULASKI COUNTY TENANT PURCHASERS

In Pulaski County, Ark., where six tenant purchase units were set up the tenant purchase committee estimated, after obtaining figures of the improvements that would be necessary, that each unit would cost \$3,800. In the end each unit cost over \$7,000. When inquiry was made as to why the price ran that high, a high official of the Farm Security Administration said that everything had to be tiptop, so that they would really have something when they took the land back. (P. 831, hearings, joint committee.)

Mr. Baldwin, in his reply submitted to the joint committee, admitted the costs were excessive, but he blamed the responsibility upon the local committee. It is difficult to see how the Farm Security Administration can escape responsibility for developing improvements to the extent that the units cost double the amount originally estimated by the committee.

Case of Tony Walton, Auvergne, Ark.: Tony Walton, Auvergne, Ark., in Jackson County, is a tenant purchase client of the Farm Security Administration and has been in the program 4 years. This man works 120 acres of land and has been working it successfully. On his farm he has a house other than the new one built for him by the Farm Security Administration. This house has been repaired, a new roof put on, and is in a livable condition. It is necessary for Mr. Walton to have help on his farm as he cannot farm the entire tract himself in addition to caring for his livestock. The Farm Security Administration will not allow Mr. Walton's wife to assist him in his work outside. This house is being used to house an employee. In spite of these facts the Farm Security Administration has ordered the house torn down by February 15. A copy of the letter to this client notifying him that the house would have to be torn down is attached hereto.

Mr. Baldwin, in his reply submitted to the joint committee, denied that the Farm Security Administration had ever prohibited Mrs. Walton from working in the fields, but admitted that the Farm Security Administration would not permit its clients to employ sharecroppers. He did not deny that this client was required to tear down this house.

NEWPORT, ARK., January 2, 1942.

DEAR SIR: We, the undersigned Tenant Purchase Committee for Jackson County,

have investigated some of our tenant-purchase borrowers and find that they still have old houses on their farm which have not been torn down.

It was set out very clearly in the regulations and explained to you at the time you were approved for a tenant-purchase loan that it would not be possible for you to retain any house on your farm other than the one you were living in.

We are asking that you make your plans to get these houses torn down by February 15, 1942. Unless this is done, necessary action will have to be taken after this date to get these houses torn down.

Yours very truly,

W. E. RENIX, *Chairman.*
HENRY BAILEY.
CLYDE HODGES.

CASE OF LOCH LOMOND PLANTATION

The Loch Lomond Plantation in Leflore County, Miss., was taken over by Farm Security Administration and turned into a tenant purchase project. According to information submitted to the joint committee:

"It was one of the show places of the State of Mississippi. It had 4 six-room houses, 1 seven-room house, 12 three-room houses, and 8 four-room houses. These houses were made out of the finest hard cypress. They had copper screen on the windows and doors. They were in excellent condition when the Farm Security Administration took over the property. These houses were all torn down and the lumber, which is practically extinct today, was used for fuel. The people in general in this community feel it was nothing short of a crime to destroy these houses, which they say were built to last a hundred years.

"The erection of new buildings on this farm increased the financial load placed upon the clients, and bearing in mind the production figures which I have already given, it is practically impossible for them to ever pay off their notes." (P. 822, hearings, joint committee.)

Mr. Baldwin in his reply submitted to the joint committee admitted that in 1940, 26 families lived on the farm while in 1941, 15 tenant purchase borrowers lived on a portion of the farm, and the remainder of the farm was occupied by 5 families in addition to day labor which was used by the operator to the equivalent of 2 families. He also admitted that buildings were torn down and new ones erected, but he justified this on the ground that his employees with the approval of the local committee found that the buildings were not worth keeping and should be torn down. However, he submitted no proof or supporting data to refute this charge other than listing the buildings and making a categorical statement with respect to the findings of his employees and the committee.

CASE OF SUNFLOWER PLANTATION

Another case reported to the joint committee was the Sunflower Plantation in Mississippi (Sunflower County):

"Buildings were torn down on the Sunflower Plantation in Sunflower County and new buildings erected. Land was purchased at \$60 per acre. I was told that these unnecessary improvements have run the value of the land to as high as \$125 per acre. This burden of course is being carried by the clients." (P. 822, hearings, joint committee.)

Mr. Baldwin in his reply submitted to the joint committee admitted that the cost of the land and improvements did cost approximately \$126 per acre as set forth and he did not deny that existing buildings were torn down and new ones erected. He made the categorical statement that they were flimsy and not worth repair and that they were inspected by Farm Security Administration representatives, but he offered no evidence to substantiate this statement as to their condition or value. He further admitted that before the Farm Security Administration took

over this plantation it supported 222 families and that now there are only 149 families on it. He explained this by saying that it had been divided into larger units.

OTHER EXAMPLES

A landlord named Sumners in Lincoln County, Miss., had built a new barn just a few years before the Farm Security Administration acquired the property. The barn was giving adequate service but was torn down and a new one built. (P. 822, hearings, joint committee.)

Mr. Baldwin did not refute this instance.

In the village of Lake Providence, La., there is a Farm Security Administration purchasing and marketing cooperative. The clients are practically forced to join it. The dues are 25 cents per year. There has been a great deal of discontent over the way it has been operated. "On client, Mr. P. D. Ruffin, refused to join the cooperative because he could buy a pressure cooker cheaper from an adjoining store than he could from a store designated by the cooperative."

"Mr. T. C. Gist said he gave the cooperative 25 cents dues in order to 'keep them off his neck' but he wouldn't trade at their designated stores. He gave as an example the fact that the co-op required that fruit jars be purchased from the Piggly-Wiggly store and he could buy them 10 cents a dozen cheaper at Epp's Mercantile Co." (P. 826, hearings, joint committee.)

In his reply submitted to the joint committee, Mr. Baldwin denied that clients were compelled to join the cooperative although they were urged to do so. He failed to make any answer to the charges that certain stores were designated for the patronage of clients, and he offered no refutation of the charges of higher costs to clients at such designated stores.

CASE OF ED LEWIS

The attached farm and home plan of Ed Lewis, a client of the Farm Security Administration and a member of the Black Belt Leasing Cooperative, shows that this client borrowed from the Farm Security Administration \$2,406.50 over a period of 3 years, as follows:

	Loans	Grants	Total received	Total paid
1939.....	\$894.00	\$30	\$924.00	\$163.46
1940.....	277.00	165	442.00	None
1941.....	1,235.50	185	1,420.50
Total..	2,406.50	380	2,786.50	163.46

¹ 1941 plan does not show actual payment if any in 1941.

Thus, in 3 years this client borrowed \$2,406.50, of which he had repaid only \$163.46. The 1941 plan called for a payment of \$340.50 the first year on this accumulated debt, but, of course, it does not show what client actually paid, if anything. In addition, he secured grants every year totaling \$380, or a total of \$2,786.50. His net worth at the end of the first year was \$111.89, and at the end of the second year it was \$687.19 in the red.

It is interesting to note that the amount due on Farm Security Administration loan in 1941 was \$187.10, and he received a work grant of \$185. There was also a payment of \$92.48 called for on past Farm Security Administration loans and his Agricultural Adjustment Administration payments totaled \$95.

When asked what he thought about the situation this client stated that he knew he could never pay off his indebtedness, but that he thought he would "stick" another year or maybe longer if he could get by. (P. 805, hearings, joint committee; see farm and home plan attached hereto.)

In his reply submitted to the joint committee, Mr. Baldwin submitted no evidence

in rebuttal to these facts, but made a general denial that this client was overburdened with debts. He said that the client was "progressing as rapidly as possible in view of the fact that he was considerably in debt when he came under our program, and in view of the fact that he has had two successive crop failures." The foregoing record shows that the client was getting deeper and deeper in debt instead of getting out of debt, under Farm Security Administration guidance. Mr. Baldwin submits no figures to substantiate his claim but merely refers to "our records." It is therefore difficult to see how this man can be "in better shape than he has ever been before in his life," as claimed by Mr. Baldwin in his statement.

OTHER CASES

The case of Carlos Ingram has already been cited elsewhere. He saw no chance of getting out of debt, so he quit. In the 2 years that he has been working for himself he has paid off \$1,500 of old debts in addition to making a living for himself. This year he was solicited by Farm Security Administration to become a client again, and he refused.

The case of C. M. Horn has also been cited.

Investigator William C. Carr in his supplemental report of his additional investigations in Alabama reported:

"Clients as a general rule are quite disgusted with the way things are being handled. One big objection is the fact that they get their money for seed so long after the crop should have been planted. Those who are hard working and conscientious abhor the fact that they will never be able to have anything of their own.

"They feel that they are being deliberately kept in debt. * * * The large majority of the clients of the Farm Security Administration have had their spirit broken. * * * Clients have no knowledge of their financial standing. Canceled checks are kept in the bank and picked up by the Farm Security Administration office, as is the client's bank statement. He never sees them." (From supplemental report of Investigator William C. Carr.)

CASE OF WILLIS ELLIS

In a statement dated February 26, 1942, Willis Ellis, Burkville, Ala., who is a Farm Security Administration client, stated:

"Since I have been 'on the Government' I have been in the worse shape than I have ever been in my life."

FROM MISSISSIPPI REPORT

Investigator William C. Carr reported on his findings in Mississippi, with respect to the attitude of clients, as follows:

"The great majority of the clients of the Farm Security Administration are dissatisfied. They are noncommittal concerning its policies but are very bitter in the denunciation of the methods used in administering same. The actions of the Farm Security Administration are clearly predicated along the lines of destroying any individual initiative which a client might have." (P. 828, hearings, joint committee.)

Mr. BYRD. Mr. President, I wish to refer to another report, concerning illegal land purchases, which I should like to read to the Senate:

ILLEGAL LAND PURCHASES

The reckless manner in which this agency embarks upon gigantic enterprises under the broad grant of authority for rural rehabilitation loans, is illustrated by what it has done in using these funds to purchase large areas of land on which to relocate farmers displaced by reason of defense projects. For example, in the case of the Lord Scully estate

lands in Missouri, the Administration formed a corporation of its own employees and bought 42,000 acres of land out of Rural Rehabilitation Loan funds, passed the title to this land to this corporation composed of its own employees, ostensibly for the purpose of selling farms to farmers removed from defense areas. The House Appropriations Committee investigated this situation and found that 361,000 acres of land had been bought in a similar manner throughout the United States. The committee charged that the Farm Security Administration had carried out this program in violation of the law and requested the Comptroller General of the United States to rule on the legality of these objectives. The Comptroller General, after investigation, submitted a ruling that these land purchases by the Farm Security Administration were illegal. The Comptroller General said that this activity "clearly resembles the resettlement project of the type, the prosecution of which was restricted by section 43 of the Bankhead-Jones Farm Tenant Act." He held that it was illegal to use Rural Rehabilitation Loan funds for this purpose.

What the Farm Security Administration has done in this field is only the beginning of what it could do if it could get enough funds from Congress. Farm Security Administrator Baldwin testified that his organization really needed \$300,000,000 for this purpose in order to do the job as he thought it ought to be done.

The fact is the Farm Security Administration plan for relocating these families was devised in such a way as to require the maximum Government investment and the maximum cost for supervision and assistance. Instead of assisting farm owners to buy other farms, and tenants to obtain suitable locations as tenants or purchase farms where practicable and ending the Government's part in this undertaking as soon as these families were satisfactorily settled in their new locations, the Farm Security Administration devised a scheme by which they would purchase large tracts of land and settle these families on these tracts under sales agreements whereby it would require 40 years to repay the Government's investment during which time the Farm Security Administration would have to maintain a staff of personnel to closely supervise the farming activities of these families over a 40-year period. The cost of this supervision, management, and overhead expense will be borne by the Government for the next 40 years.

All of this could have been avoided with much more satisfactory results if the Farm Security Administration had followed the same plan for relocating these families as the Tennessee Valley Authority pursued in relocating thousands of farm families who were displaced by dams constructed in the Tennessee River Valley. Instead of building up a great bureaucracy to last for 40 years to do this job and asking Congress to appropriate enormous sums of money, the Tennessee Valley Authority used the agencies already available in the States; namely, the Agricultural Extension Service, the agricultural credit agencies already established; the county agents set up committees of farmers to help appraise the land and to help these families get relocated. They helped land owners find new farms and they helped tenants get located in satisfactory locations on other farms. The entire cost averaged less than \$18 per family to relocate these families, and the Government had no further investment or expense.

Mr. President, I ask unanimous consent that I may insert some exhibits with respect to this matter.

The PRESIDING OFFICER. Is there objection?

There being no objection, the exhibits were ordered to be printed in the RECORD, as follows:

EXCESSIVE EXPENDITURES BY FARM SECURITY ADMINISTRATION IN RELOCATING FARM FAMILIES FROM DEFENSE AREAS ACQUIRED BY GOVERNMENT

The work done by the Farm Security Administration in relocating farm families displaced from various areas which have been acquired by the Government in connection with the defense program affords another example of excessive expenditures and extension of bureaucratic control over farmers by the Farm Security Administration.

When the problem of moving several thousand farm families displaced by Government purchases of land for defense purposes arose, the question of assisting these people in getting relocated was given consideration by the Agricultural Division of the National Defense Advisory Commission. Representatives of the farm organizations were called into consultation. As a result of the study of this problem, the advisory committee, representing all of the national farm organizations, recommended unanimously that the same plan be followed as was carried out by the Tennessee Valley Authority in relocating families displaced by the construction of the Tennessee Valley Authority's hydroelectric projects. Under this plan the Tennessee Valley Authority utilized the county agents and local committees of farmers to assist in relocating these displaced families. There is no area in the United States where the task would be more difficult, due to the fact that so many of these families were in very low income brackets and were highly individualistic in their attitude. Nevertheless, the job was done very successfully at a very nominal cost to the Government by utilizing the agencies and facilities already available. No special loan funds were required—no huge additional purchases of land.

The Farm Security Administration, however, was very anxious to obtain control of this program and offered to make available several million dollars for this purpose.

Instead of following the recommendations of the farm organizations, based on the practical experience in the Tennessee Valley Authority area, the Farm Security was delegated this task. Instead of following these plans provided by practical experience, they have formulated a gigantic scheme involving the purchase of large areas of land. According to a statement submitted by Mr. Baldwin (Hearings, p. 313, Agriculture Department appropriation bill for 1943), the Farm Security's plan would require over \$100,000,000 to relocate 23,000 farm families, or an average cost of \$5,000 per farm family. The following is quoted from Mr. Baldwin's statement (p. 313):

"Our experience thus far indicates that, on the average, it requires at least \$5,000 to relocate a farm family. Assuming that approximately 23,000 farm families need relocation assistance, it is apparent that a complete job of relocation would require over \$100,000,000."

Mr. Baldwin further revealed that the Farm Security Administration has already arranged to purchase 372,300 acres at a cost of \$11,946,000, plus additional development costs of \$11,054,090, or a total cost of \$23,000,000 to relocate 3,542 families. (P. 304, hearings, Agriculture Department appropriation bill for 1943.)

Relocation corporations have been established in 20 States by the Farm Security Administration. Apparently the plan of the Farm Security Administration is to buy up large areas of land and move these displaced farm families on to these lands, make extensive "improvements" to these lands, and extend long-term loans and short-term loans to borrowers, thereby bringing all of these

families under the control and jurisdiction of the Farm Security Administration over a long period of time.

The experience of the Tennessee Valley Authority shows that such a program is entirely unnecessary. The Tennessee Valley Authority was able to relocate thousands of farm families during the acute years of financial depression without any such costs or grandiose resettlement projects. The attached data show, for example, the Tennessee Valley Authority working through the county agents and committees of farmers and the established credit agencies, was able to relocate 525 families in the Wolf Creek Ordnance area, Milan, Tenn., at a total cost of \$3,246 or an average expense per family of \$6.21. It evacuated and relocated families in the Watts Bar area at a total cost of \$18,367.60, or an average expense of \$18.19 per family for relocating 890 families, assisting 600 families with readjustment problems, and assisting 1,010 on an equivalent relocation basis. At a cost of \$17,951.11, or an average of \$18.76 per family in the Cherokee area, it relocated 793 families, assisted 820 families with readjustment problems, and gave assistance to 957 families on an equivalent relocation basis.

Expenses for evacuating and relocating families in the Cherokee area

	Salary	Travel
E. S. Permenter, Sept. 15, 1941, to Jan. 1, 1942.....	\$3,012.50	\$943.71
O. M. Watson, Nov. 1, 1941, to Jan. 1, 1942.....	2,800.00	1,033.29
Gussie Smith, Feb. 15, 1941, to Jan. 1, 1942.....	2,150.00	830.11
Edward Garland, May 1, 1941, to Jan. 1, 1942.....	1,200.00	651.00
Miscellaneous: Supplies, etc.....	100.00	-----
Total.....	9,262.50	3,458.11

Total salary and travel.....	\$12,720.61
Supervision and assistance from headquarters.....	2,577.50
Appraisal assistance.....	2,653.00

Grand total.....	17,951.11
Families relocated.....	793
Families with readjustment problems.....	820
Families on equivalent relocation basis.....	957
Expense per family.....	\$18.76

Expenses for evacuating and relocating families in the Wolf Creek Ordnance area, Milan, Tenn. (1941)

	Salary	Travel
Dave Price, 7 months, at \$235.....	1,645.00	\$350.00
Miss Manner, secretary, 7 months.....	400.00	-----
L. J. Strickland, Jan. 29 to Mar. 21, 1941.....	560.00	300.00
Total.....	2,614.00	650.00

Total salary and travel.....	\$3,246
Families relocated.....	525
Expense per family.....	\$6.21

Expenses for evacuating and relocating families in the Watts Bar area

	Salary	Travel
P. J. Wood, one-half time:		
Jan. 1 to July 1, 1940.....	\$600.00	\$200.00
July 1, 1940, to Feb. 15, 1941.....	1,500.00	612.92
Stanley Ezell, one-half time, Jan. 1 to Aug. 1, 1941.....	700.00	380.00
Raymond E. Cobble, one-half time, Feb. 1, to Oct. 1, 1941.....	722.50	354.85
J. E. Moody, May 1, 1941, to Jan. 1, 1942.....	1,600.00	683.65
Thomas H. Davidson, one-half time, Oct. 1, 1941, to Jan. 1, 1942.....	225.00	83.14
Max H. Falkner, one-half time, July 1, 1940, to Jan. 1, 1942.....	2,475.00	89.24
Clerk, Aug. 1, 1940, to Jan. 1, 1942.....	1,335.00	-----
Miscellaneous: Telephones, etc.....	300.00	-----
Total.....	9,457.50	2,504.60

Total salary and travel.....	\$11,962.10
Supervision and assistance from headquarters.....	3,752.50
Appraisal assistance.....	2,653.00

Grand total.....	18,367.60
Families relocated.....	890
Families with readjustment problems.....	600
Families on equivalent relocation basis.....	1,010
Expense per family.....	\$18.19

Mr. BYRD. Mr. President, I further ask unanimous consent to insert a statement concerning liquidation of resettlement projects.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

LIQUIDATION OF RESETTLEMENT PROJECTS

For several years the Farm Security Administration has been charged by Congress with the responsibility for the liquidation of the so-called resettlement projects which were inherited from the Division of Subsistence Homesteads and the Federal Emergency Relief Administration. Instead of liquidating these projects as Congress intended, the Farm Security Administration has been busily engaged in promoting and even expanding these projects, and reorganizing them in such a way that the Government will probably have an investment indefinitely and the Farm Security Administration will have a continuing managerial and supervisory responsibility.

The failure of the Farm Security Administration to liquidate these projects in accordance with the specific intent of Congress is an amazing and astounding record. Anyone who will take the time to read the record of the hearings of the Appropriations Committee on this matter for the past 5 or 6 years cannot fail to be impressed with the deception that has been practiced upon Congress by the administrators of this program. The way in which Congress has been misled and its obvious intent evaded is astounding, indeed.

These resettlement projects consisted of certain projects inherited from the Division of Subsistence Homesteads and the Federal Emergency Relief Administration. According to the testimony of former Farm Security Administrator Alexander, about 50 projects were inherited from the Division of Subsistence Homesteads and about 34 projects from the Federal Emergency Relief Administration. A "Mystery of the Farm Security Administration," issued on October 10, 1940, stated that 33 projects were inherited from the Subsistence Homesteads Division and 19 projects from the Federal Emergency Relief Administration. In January 1937 the Resettlement Administration was moved to the Department of Agriculture and in September of this year it was converted into the Farm Security Administration. The Bankhead-Jones Farm Tenant Act, approved July 2, 1937, contained a provision for the liquidation of these projects with a provision for the completion and management until such time as they could be liquidated. In 1928 there was inserted an item in the 1939 Agricultural appropriation bill headed as follows: "Liquidation and Management of Resettlement Projects."

Since that time Farm Security Administration officials have been admonished repeatedly by members of the Appropriations Committees to take effective steps to liquidate these projects, and Farm Security Administration officials have repeatedly given assurances that these projects would be liquidated.

Instead of liquidating these projects they have actually been expanded. According to the information submitted in the hearings of the House Appropriations Committee at the request of Congressman TARTER, the total acreage in these resettlement projects has been expanded from 753,408 acres to 954,670

acres, an increase of approximately 200,000 acres. In 1938 Farm Security Administration officials told Congress that they expected to complete all the projects by July 1, 1938, but by July 30, 1941, this program had been expanded into 193 projects to accommodate 15,169 family units at a cost of \$30,321,918.50 for land totaling 961,094 acres, which, together with other development costs aggregating \$105,815,062.34, brought the total investment to \$136,136,980.84.

The manner in which the so-called liquidation of these projects has been carried out is not a bona fide liquidation in the ordinary interpretation of that term. Instead of selling these properties outright to bona fide purchasers, in some cases they have been leased to so-called homestead associations for as long as 100 years in some cases, under a plan wherein the Farm Security Administration will have a resident management to supervise the operations of these projects; in other cases these projects have been transferred at a fraction of their cost to so-called homestead associations organized by the Farm Security Administration, generally without any down payment and in some instances at least supplemented by large additional loans for operating expenses. (See exhibit III for a summary of the facts showing the failure of the Farm Security Administration to liquidate resettlement projects.)

It is evident that if these projects are to be liquidated in the true sense of the word that a more specific mandate must be given to the Farm Security Administration to require it to carry out the will of Congress. There should be a reasonable time limit provided to liquidate these projects entirely, and the liquidation should be bona fide and not spurious liquidation in which large Government investments will be turned over to associations of clients in name only while the Government in reality continues financial and managerial responsibilities.

FAILURE TO LIQUIDATE RESETTLEMENT PROJECTS

Origin of Farm Security Administration responsibility for liquidation of projects

The origin of these so-called resettlement projects and the responsibility of the Farm Security Administration to bring about their liquidation is set forth briefly in the following excerpts from the testimony of Farm Security Administration officials. First, as to their origin, W. W. Alexander, Administrator of the Farm Security Administration, in a statement to the House Appropriations Subcommittee on the 1938 agricultural appropriation bill, stated:

"Mr. ALEXANDER. * * * There was a Division of Subsistence Homesteads set up in the Interior Department in an attempt to take care of industrial workers as part-time farmers or to aid in the development of part-time farms. There was in the Federal Emergency Relief Administration, I believe, an agency to carry out a program of land retirement, or submarginal-land retirement, for lands unsuitable for agriculture. There had also been an effort at debt adjustment. The debt-adjustment work was, I believe, originally under the Farm Credit Administration. A year ago last April, the President threw these programs together into one agency. They were related activities, and, in order to take care of them, the President created by Executive order the Resettlement Administration.

"Mr. TARVER. What was the date of that order?

"Mr. ALEXANDER. It was April 30, 1935. He threw all those activities together to handle the various problems of debt adjustment and subsistence homestead work, and the work the Federal Emergency Relief Administration had been doing. He threw all of them together into one program under the Resettlement Administration, and we have undertaken to work these various activities into a

related program. The Division of Subsistence Homesteads had initiated through the purchase of land approximately 50 part-time farm projects (p. 1286)."

A list of these 50 projects inherited from the Division of Subsistence Homesteads appears on page 1287, Hearings of House Appropriations Subcommittee on 1938 agricultural appropriation bill.

In addition, 34 projects were inherited from the Federal Emergency Relief Administration, according to Mr. Alexander's testimony, as follows:

"Mr. ALEXANDER. Then the Federal Emergency Relief Administration had attempted to aid some of those people who had been on relief to move onto farms and into communities where they could maintain themselves. There were 34 of these projects in various stages of development when they were handed over to us (p. 1287)."

The Resettlement Administration was placed in charge of Prof. Rexford G. Tugwell, whose philosophy is well known.

Later, Mr. Alexander testified that about 40 of such projects were started by the Resettlement Administration. (P. 1093, hearings, House Appropriations Subcommittee on 1939 agricultural appropriation bill.)

Bankhead-Jones Act provides for liquidation of projects

The Bankhead-Jones Farm Tenant Act, approved July 22, 1937, contained a provision for the liquidation of these projects, with provision for the completion and management until such time as they could be liquidated.

That it was the intention and desire of Congress to liquidate these projects, and that this was the ultimate purpose of this provision of the Bankhead-Jones Farm Tenant Act are evident from the statements of members of the Appropriations Committee and from admissions in the testimony of Farm Security Administration officials. In 1942 Farm Administration Administrator, C. B. Baldwin testified:

"Mr. TARVER. I do not at the moment recall exactly the language of section 43 of title 4 of the Bankhead-Jones Farm Tenant Act. Do you have that language before you?

"Mr. BALDWIN. No, sir; I do not, Mr. Chairman.

"Mr. TARVER. Give the substance of its provisions.

"Mr. BALDWIN. As I recall the act, this authorizes the appropriation of funds for carrying out of certain management and other activities on projects that had been inherited by the Resettlement Administrator.

"Mr. TARVER. Well, it contemplated the liquidation of these projects?

"Mr. BALDWIN. The liquidation of these projects and the management of them. The management of them in various ways; yes, sir." (P. 223, hearings, House Appropriations Subcommittee on 1943 agricultural appropriation bill.)

It is further significant that after the passage of the Bankhead-Jones Act in 1937 there was inserted an item in the 1939 agricultural appropriation bill which was considered by Congress in 1938. This item was officially designated as follows: "Liquidation and management of resettlement projects." The chairman of the subcommittee, Congressman CLARENCE CANNON, described it as follows in the hearings:

"Mr. CANNON. The next item covers liquidation and management of resettlement projects and is as follows:

"To enable the Secretary of Agriculture to carry out the provisions of section 43 of title IV of the Bankhead-Jones Farm Tenant Act, approved July 22, 1937 (50 Stat. 522-533), including the employment of persons and means, in the District of Columbia and elsewhere, as authorized by said act, \$2,000,000." (P. 1089, hearings, House Appropriations Sub-

committee on 1939 agricultural appropriation bill.)

The official justification of estimate submitted in behalf of this proposed item by the Farm Security Administration stated:

"The 1939 estimate provides for a new appropriation of \$2,000,000 for liquidating and managing resettlement projects, which have been financed heretofore entirely under emergency funds." (P. 1089, hearings.)

Farm Security Administration took over Resettlement Administration

In January 1937 the Resettlement Administration was moved to the United States Department of Agriculture and was operated as an agency of that Department. In September 1937 this agency was converted into the Farm Security Administration. (Testimony of W. W. Alexander, Farm Security Administrator, p. 1094, Hearings, House Appropriations Subcommittee on agricultural appropriation bill for 1939.)

Repeated instructions by Congress and promises by Farm Security Administration Officials to liquidate these projects

Farm Security Administration officials have been admonished repeatedly by members of the Appropriations Committee and Farm Security Administration officials have repeatedly promised during the consideration of their appropriations to liquidate these projects. The following significant excerpts are quoted from the testimony on appropriations requested for this purpose:

In 1938, Farm Security Administrator Alexander testified:

"Mr. UMSTEAD. * * * I assume therefore that the items covered on the justification sheet referred to either will have been completed by the end of the present fiscal year or there will be funds available from the estimated 1938 allocations to enable you to finish those projects?

"Mr. ALEXANDER. We expect to get them completed by the 1st of July, sir. We are not asking for money for further expansion of these projects." (P. 1094, Hearings, House Appropriations Subcommittee on 1939 agricultural appropriation bill.)

In 1939, Assistant Administrator of the Farm Security Administration, Mr. Baldwin, testified:

"Mr. BALDWIN. * * * The purpose of this appropriation is to enable us to furnish management and collection services, technical services, and supervision of land development and property maintenance.

"Mr. CANNON. There is no extension or expansion of any kind; it is merely a process of eventual liquidation?

"Mr. BALDWIN. Eventual liquidation and management; yes, sir.

"Mr. DIRKSEN. By liquidation you mean what?

"Mr. BALDWIN. For instance, Mr. Dirksen, in the last year, or little over a year, we have actually disposed of 2,559 properties—individual units.

"Mr. DIRKSEN. You have sold them.

"Mr. BALDWIN. We have sold them; yes. And that process will be continued. We do not think it is well for us to move too fast, because we have not had enough experience with some of the people located there to know whether they will make good owners or not." (P. 1188, Hearings, House Appropriations Subcommittee on 1940 agricultural appropriation bill.)

The obvious conclusion to be drawn from this testimony is that Congress intended for the Farm Security Administration to close out these projects by means of individual sales and that the Farm Security Administration officials pledged Congress to sell out these projects as rapidly as feasible. In view of the fact that these statements were made in connection with the appropriation of funds for this work, such pledges are all

the more significant and binding, as an obligation on the part of the Farm Security Administration.

Again in 1940, Assistant Farm Security Administration Administrator Baldwin testified:

"Mr. CANNON. When do you expect to complete liquidation of these projects?"

"Mr. BALDWIN. Well, Mr. Cannon, there were 160 of these projects, and we are moving as rapidly in that direction as we can, but it is going to require several years to liquidate these properties. I would not care to venture an answer as to just how long." (P. 967, hearings, House Appropriations Subcommittee, on 1941 agricultural appropriation bill.)

Again in 1942, Farm Security Administration Administrator Baldwin testified:

"Mr. LEAVY. And it is your intention and your policy and part of your program to liquidate them?"

"Mr. BALDWIN. Yes, sir." (P. 268, hearings, House Appropriations Subcommittee, 1943 agricultural appropriation bill.)

EXPANSION INSTEAD OF LIQUIDATION OF THESE PROJECTS

Notwithstanding the repeated admonitions from Congress and the repeated assurances given to Congress when additional appropriations were requested from Congress for this work from year to year, as indicated above, the record discloses that the number, acreage of land, number of family units to be provided for, and the Government's investment was increased. Instead of liquidating these projects, the Farm Security Administration actually extended the scope and extent of the Government's operations and investment. It would appear that this has been done under the guise of completing projects and management of projects.

After the passage of the Bankhead-Jones Act in 1937 and the insertion of the appropriation item for "Liquidation and management of resettlement projects" in estimates for the fiscal year 1939, Farm Security Administrator told Congress, as quoted above that they expected to complete all these projects by the 1st of July 1938, and added: "We are not asking for money for further expansion of these projects." (P. 1094, hearings.)

Assistant Administrator Baldwin likewise told Congress in 1938 there would be no extension or expansion of any kind. He said:

"Mr. CANNON. There is no extension or expansion of any kind; it is merely a process of eventual liquidation.

"Mr. BALDWIN. Eventual liquidation and management; yes, sir." (P. 1188, hearings, House Appropriations Subcommittee, 1939 agricultural appropriation bill.)

The addition of the words "and management" to Mr. Baldwin's reply to Congressman CANNON's question is of particular significance, as it sheds light on the apparent purpose which even then seems to have begun to take form, namely to see to it that the original purpose of these resettlement projects be continued in one way or another and that the Farm Security Administration maintain its management or control or supervision over them over a very long period of years, or even indefinitely.

It is obvious, however, from the testimony given at that time, that Congress was led to believe that these projects would not be expanded and would be disposed of by sale and the Government's investment liquidated as rapidly as possible.

What is the record?

In 1942, Farm Security Administrator Baldwin, after 4 additional years of liquidation and management of these projects, was asked for an accounting. Members of the House Appropriations Committee, during its consideration of Farm Security Administration appropriations for the fiscal year 1943 requested full information with respect to the status of these projects to be inserted in the

record of the hearings. In response to the request of Chairman TARKER, Mr. Baldwin inserted the following information:

"The total acreage transferred from the predecessor organization to the Farm Security Administration was 753,408 acres.

"The total acreage of projects which have not been fully conveyed or sold is 954,670 acres. However, of this acreage, 29,226 acres have been sold in individual farm units to individual farm families." (P. 223, vol. II, House Appropriation Subcommittee hearings, 1943, agricultural appropriation bill.)

Thus the total acreage in these projects, while they were supposed to be under liquidation by Farm Security Administration, was expanded from 753,408 acres to 954,670 acres, an increase of approximately 200,000 acres. This does not include lands already conveyed to Homestead Associations, etc., under the process of "liquidation." This would appear to indicate that the expansion of land acquisitions by Farm Security Administration might exceed 200,000 substantially during that 4-year period of liquidation.

Furthermore, a comparison of the data submitted by Farm Security Administration officials at the request of members of the House Appropriations Committee during the hearings on the 1943 Agricultural Appropriations bill (p. 226, insert No. 1) with earlier testimony of Farm Security Administration officials yield further significant information:

In 1937, Farm Security Administrator testified that 50 projects were inherited from the Division of Subsistence Homesteads, that 34 projects were inherited from the Federal Emergency Relief Administration. (Pp. 1286-1287, hearings, House Appropriation Subcommittee on 1938 agricultural appropriation bill). In 1938 Mr. Alexander testified that about 40 of such projects were started by the Resettlement Administration, which agency was later taken over by Farm Security Administration. This makes a total of 124 projects which were reported to Congress up to 1938.

Although Farm Security Administration officials told Congress in 1938 that they expected to complete all projects by July 1, 1938, and that no money was asked for further expansion of existing projects, the official Justification of Estimate submitted by Farm Security Administration in support of its appropriation for this work for the fiscal year 1940, which was submitted to Congress in 1939, stated:

"The current construction and development program, which is virtually completed, consists of more than 140 projects located throughout the continental United States, providing homesteads for approximately 14,000 families." (P. 1187, hearings.)

By another year, a further expansion had taken place. According to the official justification of estimates for 1941 submitted by Farm Security Administration in 1940 in support of its requested appropriation, appears this statement:

"The current construction and development program, which is virtually completed, consists of more than 160 projects located throughout the continental United States, providing homesteads for approximately 16,000 families." (P. 968, hearings, House Appropriations Subcommittee, 1941 agricultural appropriation bill.)

A complete list of all the projects from their inception, the capitalized value, and the disposition made of them, was inserted by request of Congressman DIRKSEN in the 1941 hearings. (Pp. 978-981.)

By another year, a further expansion had taken place. According to the official justification submitted by Farm Security Administration in 1941 in support of its 1942 appropriations, the total number of projects had been expended to 193 projects with a total

acreage of land aggregating 970,394 acres. The following is quoted:

"At the present time, there are a total of 193 projects under the administrative jurisdiction of the Farm Security Administration. The projects are scattered throughout the United States in nearly all States, crop areas, and climates.

"Of the 193 projects there are 72 community projects, 30 subsistence homesteads projects, 3 suburban resettlement projects, 6 stranded group projects, and 82 scattered farms projects. A total of \$135,189,835.47 has been expended in the purchase of land for, and in the development of, these 193 projects. This includes all expenditures made by all prior Federal agencies, State emergency relief, and rural rehabilitation corporations, and the Farm Security Administration. Of this total cost, \$30,294,210.58 was expended for the purchase of 940,394 acres of land on which the projects are located. All other costs of developing these projects totaled \$104,895,624.89. The projects as now complete consist of 14,703 family units." (P. 108, hearings, House Appropriations Subcommittee, 1942 agricultural appropriation bill.)

By June 30, 1941, a further expansion of these 193 projects had been made to accommodate 15,169 family units, at a cost of \$30,321,918.50 for land totaling 961,094 acres, which together with other development costs aggregating \$105,815,062.34, brought the total investment to \$136,136,980.84. (Insert No. 1, facing p. 226, hearings, vol. II, House Appropriations Committee, 1943 agricultural appropriation bill.)

Methods of liquidation

The manner in which the liquidation of these projects has been carried out up-to-date could scarcely be called a bona fide liquidation in the ordinary interpretation of that term as evidently construed by Congress.

Instead of selling these properties outright to bona fide purchasers, either as a whole or in individual units to responsible purchasers on a basis that would relieve the Government from further participation or control or supervision of such properties, they have been handled or disposed of in various ways, with the apparent objective of continuing experiments in collective farming on an expanded scale, of maintaining the Government's investment for a long period of time, or for an indefinite period, and maintaining a system of supervision or control over these properties and the clients operating them for a very long period of time, if not indefinitely.

As shown by the foregoing excerpts from the hearings of the Appropriations Committee, it is clearly evident that Congress intended that these properties should be completely disposed of and the Government's interest eliminated as soon as practicable.

A number of these projects have been transferred to Homestead Associations. It appears that in such cases corporations are organized by Farm Security Administration known as Homestead Associations, and that the properties are transferred by Farm Security Administration to such associations in many cases, if not all, without any down payment and in some instances at least supplemented by additional loans for operating expenses. In a large number of cases these projects have been transferred to such associations at sales prices, if they can properly be considered as bona fide sales, which are far below the Government's investment.

For example, Mr. Baldwin told the House Appropriations Subcommittee during its hearings on the 1940 agricultural appropriations bill (p. 1188) that "in the last year, or little over a year, we have actually disposed of 2,559 properties—individual units." The plain inference to be drawn from this statement would be that individual units had been sold by the Farm Security Administration to individual persons, thereby eliminating the

Government's investment and terminating the collectivized project idea, so far as these units were concerned.

But when Mr. Baldwin was requested to submit further information concerning these sales he inserted in the record a statement which contained the following significant information:

"With very few exceptions, however, the individual sales price of each of these units has been equal to the cost of the farm site plus the cost of any improvements made thereon. These farm sites are sold under a contract providing for the payment of the purchase price in equal annual installments over a period of 40 years. It is our policy to offer these farm sites to our rural rehabilitation farm clients and in conjunction with the sale of the farm to consider and provide for his other rehabilitation needs.

"To date the following 14 projects have been sold and conveyed under sales contracts to incorporated homestead projects" (p. 1189).

The list appended thereto showed that the development cost to the Government of these 14 projects totaled \$3,383,029 and the "selling prices" to these homestead associations totaled \$1,958,388. In addition, it is admitted that in some cases, the selling prices by the associations to individual purchasers of some of these units was less than this cost.

Thus, instead of an outright sale by the Farm Security Administration of 2,559 properties to that many individuals, these properties were grouped into 14 projects and these properties transferred to homestead associations, which in turn were to sell individual units on a 40-year-repayment basis. Mr. Baldwin later testified that in the case of sales to homestead associations it is necessary for the Farm Security Administration to maintain management supervision to see to it that sales are not made less than the prices set by Farm Security Administration on the individual units. Thus, this method of "liquidation" serves the dual purpose of perpetuating the cooperative farming project idea and making necessary to maintenance of a staff of managers by the Farm Security Administration to supervise these projects.

A revised list of projects that have been conveyed to homestead associations was inserted in the record of the hearings of the House Appropriations Committee on the 1943 agricultural appropriation bill. This statement showed that 18 projects had been transferred at sales prices which totaled \$2,627,989, whereas, the total Government investment in these properties amounted to \$—.

That the real purposes in this method of liquidation was to continue to carry on in another form, these cooperative farming or resettlement projects so as to carry out their original purposes, with little or no consideration to the amount of the Government's investment, and to continue indefinitely the Government's management responsibilities, is indicated by the following statement of Mr. Baldwin during the 1943 hearings:

"Mr. LEAVY. And it is the plan to liquidate them so far as the Government is concerned?

"Mr. BALDWIN. To liquidate them insofar as is possible, Judge Leavy. However, the Government will continue to have an investment. We will continue to have certain management responsibilities that will continue indefinitely; for one reason, because of our creditor relationship, because you cannot, you just do not, dispose of these things and forget about them. It is not a matter of cash transaction and there is effort being made to carry out the purpose for which they were originally built. We think that should not be lost sight of." (P. 239, Hearings, 1943 agricultural appropriation bill, House Appropriations Committee).

Another method of "liquidation" has been to lease some of these projects to community farm cooperatives. In several of these

projects they are operated on a communal basis, in whole or in part, wherein the occupants engage in collective farming, producing crops in common. These collective farming associations which have been organized presumably for this purpose by Farm Security Administration are given leases on these properties for varying periods of time, some of them running for nearly 100 years. At the request of Congressman TARTER, Mr. Baldwin submitted for the record a list of these leases, which reveals that one lease expires October 21, 2037; another December 31, 2038; another December 31, 1979; another December 31, 2038; another March 31, 2042; and another January 1, 2038. (See p. 257, Hearings, House Appropriations Subcommittee on 1943 agricultural appropriation bill.)

With leases entered into for nearly 100 years, it is obvious that this method of liquidation will assure that the Farm Security Administration will have management and supervision responsibilities for an indefinite period. This is a very clever scheme to assure continuation of these collective-farming projects and at the same time to provide a reason for continuing the Farm Security Administration organization to supervise these projects. Obviously, this is not liquidation in the ordinary meaning of the term.

The House Appropriations Committee in its report to the House commented on the collective-farming experiments being carried on by Farm Security Administration, as follows:

"The Administration is also carrying on experiments in collective farming under a plan which appears to resemble the practice of collective farming in Communist Russia. The committee believes this is wholly contrary to the spirit and the genius of the American way of life, and ought to be stopped." (P. 21, report on 1943 agricultural appropriation bill.)

An example of these collective-farming projects is the Lake Dick project in Arkansas. The following information with respect to this project and the way it has been liquidated is taken from information obtained from Mr. Baldwin by the House Appropriations Subcommittee on the 1943 agricultural appropriation bill:

Mr. Baldwin revealed that "the first year of operation there were 65 farm families in residence on Lake Dick. There are only 26 families there now" (p. 242). There are 4,523 acres in the entire project (p. 243). This tract, which cost the Government \$126,000 for the land and \$545,000 for improvements, or a total investment of \$671,000, was turned over to a farm-operating cooperative organized by the Farm Security Administration, and composed of persons residing on the project. They put no money in it. In addition, they were advanced \$93,000 as an operating loan, out of which they bought equipment and furnished advances to the residents for food and subsistence. Mr. Baldwin testified that they had paid no interest, that the interest was waived for the first 3 years "because they were unable to make a payment," and that up until 1943, after more than 3 years of operation, none of the advances for subsistence had been repaid "because the association has not been until this year able to pay them" (pp. 245-246).

The project was leased to this association for 5 years on the basis of the cash equivalent of one-fourth of the cotton and cottonseed, and a third of all the crops," Mr. Baldwin stated. But when asked to supply information as to the amount received as rental, he inserted a statement which gave the crop production for 1940 but stated that the information for 1938 and 1939 was "not available." This is a remarkable situation, when the agency responsibility for administering and safeguarding the Government's investment in a 4,523-acre project in which

the Government had \$671,000 invested, does not have available the crop production after more than 2 years have elapsed (p. 247).

Mr. Baldwin further revealed that under this collective-farming plan there is no way by which the individuals who go on these lands can purchase the land under their contract; they go out there and use the lands in common and share the proceeds in common according to the amount of labor devoted to the farming operations by each of the individuals who are located on the lands. In direct response to such inquiry, Mr. Baldwin stated: "It is a joint enterprise of that type; yes, sir" (p. 248).

ILLEGAL PURCHASES OF LAND FOR RELOCATION PROJECTS

Instead of really liquidating all resettlement projects, the Farm Security Administration has embarked upon another far-reaching program of developing additional projects for relocation of farm families displaced by defense projects. The nature of these projects as described by the House Appropriations Committee in its report on the 1943 agricultural appropriation bill.

Chairman TARTER submitted a transcript of Mr. Baldwin's testimony with respect to these projects to the Comptroller General, who, after investigation, ruled that the Farm Security Administration had no legal authority to make loans to these various "relocation corporations" which were organized by employees of the Farm Security Administration for the purpose of buying land, utilizing the rural rehabilitation loan funds for this purpose. The Comptroller General of the United States said that these undertakings were of a type which "clearly resembles the resettlement projects of a type, the prosecution of which was restricted by section 43 of the Bankhead-Jones Farm Tenant Act."

Mr. BYRD. Mr. President, I wish to present to the Senate now copies of a crop and cattle mortgage to show the method of operation of the F. S. A. This relates to a loan to Samuel Wert Johnson, of Greensboro, Ala., Hale County. These are the official copies, taken from the court house, showing that a client of F. H. A. made one loan, and then made other loans in order to pay the interest on the loan he had already gotten.

This man, Samuel Wert Johnson, made his first loan in 1935. Then on the 15th of March 1939 he had a total loan of \$732.72. The security for that loan was a mare mule named "Kate," a horse mule named "Jim," a cow named "Nancy," a heifer, 1 plow, and 1 wagon. That was the security given for a loan of \$732.72.

On the 1st of May 1940 the same man increased his loan to \$903.44 and gave a new deed of trust, and included in the deed of trust \$56.59 of interest which he owed. He still had the mare mule named "Kate," but the horse mule named "Jim" had disappeared somewhere, was not there. He had the cow named "Nancy" and another named "Tiny," and a calf, along with some second-hand farm machinery, which would probably be worth practically nothing if put up for sale. Let us put the value at \$100. That was the security.

The same man gave another deed of trust on June 6, 1941. This time he increased the loan to \$1,220.18. The cow named "Nancy" was still there, but both the mules, the mare mule named "Kate," and the horse mule named "Jim," had gone somewhere else, because they were

not included in the deed of trust. He then had a horse named "Harry" and a mare mule named "Stocking Feet." He still had some farm machinery.

These loans were supposed to be made in order to rehabilitate farmers, to put them on a self-supporting basis. This man got his first loan in 1935, then it was gradually increased year by year until he owed \$1,220.28 on the 6th of June 1941, with 1 cow, 1 calf, 1 horse, and 1 mule as security, along with some second-hand farm machinery. That demonstrates that the Farm Security Administration makes additional loans in order to pay interest and to continue the loans the clients now have.

Furthermore, out of the \$18,000,000 of grants to this organization last year, eight and a half million was given to the same people who had made rehabilitation loans. In other words, grants were given to those who owed money, and no one can say to what extent the loans, when they are repaid, are paying off by grants.

I ask unanimous consent to have inserted a list showing the use of grants to repay loans.

THE PRESIDING OFFICER. Is there objection?

There being no objection, the list was ordered to be printed in the RECORD, as follows:

USE OF GRANTS TO REPAY LOANS

In addition to rehabilitation and tenant purchase loans, which are supposed to be repaid, the Farm Security Administration makes grants which are not repayable. Funds have been made available by Congress for grants to relieve destitution, to enable the Farm Security Administration to meet emergency situations, such as result from crop failures and floods, and to provide for medical care in emergencies. In actual practice, however, the Farm Security Administration appears to use grants as a means of balancing its borrowers' farm and home plans. That is, the grants are frequently used to improve a borrower's financial condition or enable him to repay a part of his loan.

Mr. Baldwin attempted to answer this charge by saying that total repayments have greatly exceeded the grants made to borrowers. This evades the issue. The Farm Bureau did not charge that all loans were repaid by grants. It merely said that grants were in some cases used to reduce indebtedness and improve the client's financial position.

The evidence that this has been done still stands.

Writing from Mississippi, Mr. Carr says:

"In the State of Mississippi the grant check is openly used as a means of improving the financial status of clients. Grant checks are not issued the first year a man becomes a client, regardless of how poor he is or how great his needs are.

"The grant check is supposed to be given for canning equipment, food, clothing, personal and medical expenses, etc. This money is placed in the bank account with the other moneys and is not distributed or disbursed by the county home supervisor or the assistant county supervisor, who are the only persons who call upon the client and judicate his needs as far as the above-mentioned items are concerned."

Mr. Baldwin has not attempted to explain why grants are not issued until after a man has been a client for a year. If Farm Security Administration is only dealing with people who cannot get credit elsewhere and is rehabilitating them, it would seem they should be much less in need of charity after having had the advantages of Farm Security Administration supervision for a year.

Concerning this, Mr. Carr writes:

"It was admitted by a Farm Security Administration employee with whom I talked that the grant check was used for the sole purpose of improving the financial status of clients, inasmuch as these people needed food, medical aid, clothing, personal items, and canning equipment much worse when they were taken over by the Farm Security Administration than they did in later years."

In his report from Alabama, Mr. Carr described a number of specific cases where grants were used to improve the client's financial position and not to relieve destitution.

Joe Davis, of Tyler, Ala., became a Farm Security Administration client in 1939. At that time he received a loan of \$257. In 1940 he was given a loan of \$191.25, and a grant of \$84.40. In an interview Mr. Davis stated that his mode of living was the same in 1940 as it was in 1939. He stated further that if he needed any help of the type for which grant payments are supposed to be made he certainly needed it in 1939 but he did not receive a grant check at all that year.

Ed Lewis, a client of the Farm Security Administration, and a member of the Black Belt Leasing Cooperative, Hale County, Ala., borrowed \$2,406.50 from Farm Security Administration over a period of 3 years and repaid \$163.46 in that time. In these 3 years he was given grant checks totaling \$380. In all he received \$2,786.50. The fact that a \$30 grant was made in 1939 (his first year) and grants of \$165 in 1940 and \$185 in 1941 shows very clearly that the grant checks are used to decrease the amount of indebtedness of delinquent borrowers. If grants were made solely to relieve destitution the largest check would have been issued in 1939 when Lewis first became a client as he was certainly in greater need at that time. Asked to comment on his situation Mr. Lewis stated that he knew he could never pay off his indebtedness, but that he thought he would stick another year or maybe longer if he could get by.

Neither of the above cases has been refuted by Mr. Baldwin.

Additional evidence, if any is needed, is contained in a letter which was written to Sandy Garrett, a Farm Security Administration client at Childersburg, Ala., by A. M. Hocutt, Jr., county rural rehabilitation supervisor. This letter reads in part as follows:

"We have requested a grant for you in the amount of \$99. You should receive this check within a few days. The check will come directly to you. When the check comes be sure to bring it to the Farm Security Administration office and we will deposit it with your loan check. This grant was necessary to balance your 1940 farm plan."

(A copy of the letter is attached.)

This letter clearly stated that the "grant was necessary to balance your 1940 farm plan." It doesn't say anything about relieving destitution, meeting an emergency, or providing medical care for the client's family. This checks with Mr. Carr's finding that—

"In making up this farm and home plan the first thing that is done is to estimate the amount of money the client will need as against prior indebtedness. The grant check is then used as a method to balance this farm and home plan, and, consequently, reduce the indebtedness."

Further evidence is contained in a statement made to Mr. Carr by George Fuller, rural free delivery No. 2, Talledega, Ala. Mr. Fuller says:

"I got 'on the Government' in 1938. I had enough money left over each year for the past 3 years. I was told by the Farm Security Administration to bring the grant checks to them and they would put them in the bank with the rest of my money and then use it to pay off my payment to the Government."

"I haven't been able to make a crop because the Farm Security Administration doesn't

give me my money to plant the crop until 3 months after it should have been planted."

A similar case is that of Will Knight of Burkville, Ala., who told Mr. Carr that:

"I have received grant checks each year. Mr. Sallee of the Farm Security Administration told me to sign the grant checks and give them back and they would be put in the bank and used to pay off my payments when they became due."

Mr. Carr also reports that in Alabama—

"There are also the so-called work grants. This is a means of improving the status of the borrower by paying him for some supposed labor. Grant check given in this type of case does not cover material but is the labor alone. * * * Willis Ellis first became a client in 1941. He borrowed \$340.50. Prior to the time he became a client through some bad luck, he became indebted in the amount of \$170. * * * The Farm Security Administration sent him a letter * * * stating that he should put up shelves for canning, put up garden fence, and repair the fence for the lot. For this work he was paid the sum of \$103.80 by grant check. * * * I took a statement from Mr. Ellis. * * * He states that he already had a good garden fence as well as shelves for canned goods, and that he repaired the lot fence in about an hour. For this work he was given \$103.80, which is a rather high price for day labor in Alabama—or anywhere else. Mr. Ellis never saw the grant check, and he couldn't understand how it was deposited in his bank account without his signature."

Reporting on his findings in Arkansas, Mr. Carr says:

"The grant check is used in Arkansas to improve the status of delinquent borrowers in practically the same manner it is used in the State of Alabama.

"At the time the farm and home plan is made up and an estimate as to the amount of money a client will need is arrived at, the grant check is then used as a means of balancing this amount with prior indebtedness. * * *

"The grant check is sent to the client who endorses it and turns it back to the Farm Security Administration. The check is then placed in his bank account with the rest of his money and is used for whatever purposes is found necessary.

"Its effect in reducing indebtedness is twofold. In the first place, the client doesn't have to borrow as much money as he would without the grant check, and in the second place grant-check money can be used to pay off his indebtedness."

INSTANCES OF REFUSAL TO ACCEPT PAYMENT OR RETURN OVERPAYMENTS

In its investigation the Farm Bureau found that in a number of complaints Farm Security Administration officials have refused to accept the repayment of indebtedness in full or have kept overpayments without the consent of the client. Apparently such practices are used to keep the individual as a client under the supervision of the Farm Security Administration, under the claim that his rehabilitation is not yet completed.

In Louisiana Mr. Carr found that—

"There are numerous instances of attempted payment on the part of clients and refusal on the part of Farm Security Administration to take the money. Mr. T. C. Gist, tried to pay his note three times. They took it the third time after he had been advised by an attorney as to what steps to take.

"Mr. J. W. Martin tried twice to pay off his indebtedness. The Farm Security Administration refused to take the money and also refused to give a reason as to why they don't take it. He also retained an attorney, made the offer to pay the money in legal tender in the presence of witnesses and then they accepted it."

In Mississippi Mr. Carr found that—

"Some clients have found it necessary to get lawyers to assure themselves of obtaining

credit for cotton which they sold. They produce the slip they received when they hauled in the cotton but were never given credit for it in their accounts with the Farm Security Administration."

Mr. Carr also "found several instances [in Mississippi] where landlords had gone to the Farm Security Administration and attempted to pay up a client's rehabilitation loans and they were refused the right to pay this."

Apparently the Farm Security Administration is more interested in keeping clients on its rolls than in receiving repayments on its loans.

Concerning overpayments, Mr. Carr writes from Mississippi as follows:

"There were numerous other cases where the client's check was for a larger amount than the payment due the Farm Security Administration. This difference was kept by the Farm Security Administration and the client's account credited with an overpayment. The overpayment remains as such during the following year. In the meantime client is loaned such sum as he needs to carry on his operation for the next year. I can see no reasonable explanation for this. The only thing it accomplishes is that it keeps the clients on the Farm Security Administration rolls and enables the Farm Security Administration to spend more money. In some cases this works a very distinct hardship.

"I am enclosing a farm-and-home plan of Nero Tyler, Jonestown, Miss., marking it 'Exhibit 4,' which shows in 1941 he was to make a payment to the Farm Security Administration in the amount of \$732.56, his cotton check amounted to over \$900. After the deduction was made for cash rent and after a \$30 mule waiver, this entire sum was credited to his account, the difference being shown as 'overpayment,' he could not get the money. . . . I also was told of another case of a tenant-purchase client by the name of Mr. Chalmers Hill, who resided in the same county. He had a scheduled payment due of \$920. His check amounted to almost \$1,300, the difference was shown as 'overpayment' without the consent of the client."

All of these cases were placed before either the Joint Committee on the Reduction of Nonessential Expenditures or the House Appropriations Committee, so they were available to Mr. Baldwin. No attempt was made to refute any of these cases except that of Nero Tyler. Referring to this case Mr. Baldwin merely said, "We have no record that he was dissatisfied with the repayments required of him." Obviously this is not a conclusive answer.

Concerning the general charge that Farm Security Administration has in some instances refused to accept payment in full or refund overpayments, Mr. Baldwin admits, "There may be instances of this," although he stated, "I would not approve the practice." (P. 769, pt. 2 of the House Hearings on the 1943 agricultural appropriation bill.) Nevertheless Mr. Baldwin admitted that sometimes they don't think a family is "completely rehabilitated" even though it is in a position to repay its loan. The inference is that it is Farm Security Administration's policy to try to keep such families on its rolls.

Mr. Carr reported instances wherein the Farm Security Administration did accept payments where clients clearly demonstrated that they know their rights. For example, he writes from Mississippi:

"Clients on the Sunflower Plantation have had a great deal of trouble in paying their loans. One client had to hire an attorney, took two witnesses, and made the offer of payment in legal tender, and it was accepted.

"There were several instances brought to my attention where the clients had tried several times to pay their indebtedness and were refused the right. They then acted on the advice of an attorney, took two witnesses, and

made the offer of payment in legal tender and it was accepted."

Mr. Carr reported numerous other instances in Louisiana as follows:

"There were numerous instances of attempted payment on the part of clients and a refusal on the part of the Farm Security Administration to take the money. Mr. T. C. Gist tried to pay his note three times. They took it the third time after he had been advised by an attorney as to what steps to take.

"Mr. J. W. Martin tried twice to pay off his indebtedness. The Farm Security Administration refused to take the money and also refused to give a reason as to why they wouldn't take it. He also retained an attorney, made the offer to pay the money in legal tender in the presence of witnesses, and then they accepted it.

"Mr. Martin borrowed \$125 in 1941. This money was placed in a bank in his account. He withdrew \$100 of it and used it for the expenses necessitated by production of his crops. He attempted to draw the remaining \$25 but was refused the right to obtain it. The only reason the county supervisor would give him for the refusal was that he was doing very well. He never did get the \$25 and had to borrow money from a private individual in order to finish the harvesting of his crop."

If the purpose of Farm Security Administration employees is to get clients rehabilitated and self-supporting as rapidly as possible, it is obvious that they should encourage clients to pay their debts as rapidly as possible and get off of Farm Security Administration rolls as rapidly as possible, instead of discouraging or attempting to prevent such action by clients.

Mr. BYRD. Mr. President, I ask unanimous consent to have inserted a comparison of agencies assisting small farmers.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

COMPARISON OF AGENCIES ASSISTING SMALL FARMERS

The claim has been made that the Farm Security Administration is the only agency which assists small farmers. The fact is small farmers have received far more assistance from the Agricultural Adjustment Administration than they have from the Farm Security Administration. The assistance offered by the Farm Security Administration has been in the form of loans, grants and farm management advice. The assistance from the Agricultural Adjustment Administration has been in the form of conservation and parity payments, price supporting commodity loans and increased income through the higher prices for farm products which have been brought about by the Agricultural Adjustment Administration program. Agricultural Adjustment Administration records show that in 1940 more than 6,000,000 conservation checks were issued to farmers operating almost 80 percent of the cropland in the United States. The bulk of the conservation and parity payment money paid out that year went to the operators of small family sized farms. Approximately 81 percent of the conservation checks and 94 percent of the parity payment checks were for less than \$100. In contrast to the 6,000,000 cooperators receiving conservation checks in 1940 the records show that on January 1, 1941, only 737,204 families had outstanding rural rehabilitation loans from the Farm Security Administration.

The effect which the Agricultural Adjustment Administration program has had on the income of small farmers is well illustrated by

the case of cotton. In 1932-33 the 10,000,000 members of cotton-producing farm families received \$526,059,000, or about \$53 per capita from the production of cotton. In 1940-41 cotton farmers received \$905,922,000, or \$91 per capita from the production of cotton. After the enactment of the 85 percent of parity loan law last May cotton farmers in 1941-42 received \$1,245,159,000 from cotton, or \$125 per capita. Thus with the enactment of the 85 percent of parity loan law cotton income increased by about 40 percent from 1940-41 to 1941-42, despite the production of fewer bales in 1941, yet we are told that the Farm Security Administration is the only agency which offers help to the farmer on the small family-sized farm.

The bulk of the cotton farmers who received this increased income as a result of the Agricultural Adjustment Administration and 85 percent of parity-loan program are small farmers who operate family-sized farms. Data supplied by Dr. O. C. Stine, Bureau of Agricultural Economics, indicates that 16 percent of all cotton farms contain less than 20 acres; 57 percent have less than 50 acres, and 80 percent contain less than 100 acres. Only 6 percent of all cotton-producing farms contain 175 acres or more.

Another indication of the small size of the average cotton farm is the high percentage of cotton farmers receiving small payments under the parity-payment program. Agricultural Adjustment Administration records show that 50.7 percent of all payees receiving cotton parity payments under the 1940 program received less than \$20, while 78.1 percent received less than \$40, 87.9 percent received less than \$60, and 94.5 percent received less than \$100. Translated into terms of bales, these figures mean that 50.7 percent of all the payees receiving cotton parity payments were paid for a production of less than 2.3 bales, 78.1 percent were paid for less than 5.5 bales, 87.9 percent were paid for less than 8.1 bales, and 94.5 percent were paid for less than 13.5 bales.

The best way to help the farmer is to get him a fair price for the things he has to sell. This is what the Agricultural Adjustment Administration's program is designed to do.

Approximately one-third of our farm population lives in the South and their major source of income is cotton. A large proportion of all low-income farmers are cotton producers. In 1940 the average per capita cash income of farmers in the South was only \$166 in comparison with an average of \$299 for all farmers.

Mr. BYRD. I ask unanimous consent to insert Mr. Baldwin's "Rebuttal" to Farm Bureau Charges.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

MR. BALDWIN'S REBUTTAL TO FARM BUREAU CHARGES

The reply of Farm Security Administrator Baldwin to the testimony and data submitted to Congress by representatives of the American Farm Bureau Federation fails to refute successfully the charges made by the Farm Bureau.

Mr. Baldwin first attacks the manner in which the investigation was conducted and attempts to discredit it by name-calling and slurring attacks. Instead of making a thorough and impartial investigation or having one made to determine the extent of such charges with a view to correcting them and disciplining the employees involved, as one would properly expect the administrator who is responsible for the handling of over 900,000,000 acres of land, the collection of hundreds of millions of dollars in loans outstanding, and the supervision of over 18,000 employees, Mr. Baldwin seemingly has sought

principally to try to discredit and minimize the importance of the evidence cited.

In the first place, as President O'Neal explained and as General Counsel Donald Kirkpatrick explained to the joint congressional committee when this information was presented, this investigation was never intended to be a complete investigation on a nationwide scale of the operations and activities of the Farm Security Administration. As explained, an organization such as the Farm Bureau could not undertake such a complete investigation, as it had no power of subpoena or power to command records, letters, or testimony of either Government officials or private individuals. Nor did it have the finances with which to conduct a nationwide investigation on a far-reaching scale. Every reasonable effort, however, was made to obtain as much information as possible within a comparatively short time, by sending investigators to numerous States to make a first-hand investigation of the practices and operations of the Farm Security Administration in these States.

A considerable amount of information was obtained by visiting a large number of counties and interviewing clients, Farm Security Administration employees and former employees, and reputable citizens within these States who had first-hand information of their own.

In some instances the information was given by Farm Security Administration employees or by clients, who, for obvious reasons, did not wish their names to be disclosed, and consequently the source of such information was kept confidential. In many cases, however, specific names and incidents were cited, and in many cases supporting evidence was submitted in the form of sworn affidavits, original signed letters, or photostatic copies thereof, and photostatic copies of official records and other documents. While, as already stated, no one ever pretended that this was a complete investigation, it did disclose startling and shocking conditions existing to such an extent as to merit a full and sweeping investigation of the practices, operations, objectives, and administration of the Farm Security Administration by an appropriate agency of Congress, with full authority to subpoena witnesses, compel testimony, and records.

As stated repeatedly, the purpose of the Farm Bureau has been, not to abolish any needed assistance to farmers that is being rendered by this agency, but to correct the abuses, waste, and unnecessary costs in administering this program.

An examination of the rebuttal submitted by Mr. Baldwin to the evidence submitted by the Farm Bureau shows that he failed to successfully refute these charges. He attempts to dismiss many of the findings as idle gossip and rumor. He answers other charges, even where specific names, incidents, and even sworn affidavits were submitted in substantiation, by merely making categorical denials that the charges were true. In some cases he states that he has investigated certain charges and has found that the charges were unfounded, but he failed to submit proper refutation in evidential form, such as affidavits, records, or photostatic copies of record to show whether the alleged refutation is well-founded. Since Mr. Baldwin tries to discredit the investigation because affidavits or other documentary evidence were not furnished in every case, he should be consistent and furnish such evidence in every case, inasmuch as his organization should be in possession of detailed information with respect to dealings with all clients.

It is shocking indeed to find a public official charged by Congress with administering such large sums of Government funds for the welfare of destitute and low-income farm families taking so lightly these serious charges, supported as they are by a very

substantial record of specific information, affidavits, and documents. His attitude is indicated by his statement that "if everything the American Farm Bureau Federation representatives said about those cases were true, * * * they would have no bearing on the significance and validity of the Farm Security Administration as a whole." (P. 893, pt. 3, hearings, Congressional Joint Committee for Reduction of Nonessential Expenditures.)

He says that they represent "at the most, a series of unconnected and widely scattered instances of bad judgment on the part of local officials of the Farm Security Administration." But when such serious conditions are reported on such a widespread scale and when they are coupled with the statements and testimony of Farm Security Administration officials themselves, they cannot be so lightly dismissed or the blame placed entirely upon "bad judgment on the part of local officials." In this connection, attention is invited to the statement made by Judge TARVER, chairman of the House Appropriations Subcommittee on Agricultural Appropriations, during hearings on the 1943 bill in connection with an investigation which that committee conducted into the practices and affairs of the Farm Security Administration. Referring to certain specific instances cited by representatives of the Farm Bureau, Judge TARVER stated to Secretary of Agriculture Wickard:

"These may or may not have been isolated instances of bad judgment on the part of the farm supervisors and other officials in the field in making loans, but these are circumstances which should be sufficient to put you on guard to investigate the affairs of the Farm Security Administration and determine whether or not policies are being followed in the field which are contrary to the spirit and purpose of the program and which indicate wastefulness which ought to be curbed." (P. 743-744, hearings.)

"Mr. TARVER. That impresses me as a rather imposing record, when you say that among your employees there have been 346 cases referred to the Department of Justice.

"Mr. BALDWIN. Yes, sir; but that is over a period of 6 years.

"Mr. TARVER. Do you know of any other agency of the Government that has a comparable record, or in which there have been acts of embezzlement committed by 346 of the employees? To have 346 cases of embezzlement among your employees in 6 years time, it seems to me, would indicate a lack of care in the selection of your employees.

"Mr. BALDWIN. Every employee of the Farm Security Administration who handles any money at all is required to be bonded.

"Mr. TARVER. It is better not to have a crook, even if the crook has a bond on him." (P. 777, hearings.)

Mr. Baldwin caustically criticizes the Farm Bureau evidence because there are some cases in which the names of the individuals concerned are not given, or affidavits or other such documents are not given. Yet, again and again in his rebuttal he fails to present any such documentary evidence as he demands and in many instances merely makes a categorical denial of charges, so that we have only to depend upon his unsworn statement of the case, so far as the record is concerned.

For example, with respect to the case of Clifford Hamilton, whose sworn statement was submitted in evidence, Mr. Baldwin did not submit any affidavit in refutation but merely refers to an alleged statement "to our investigator" whose name is not given and who makes no oath nor submits any other evidence to attest the veracity of the circumstances. Mr. Baldwin merely says that Mr. Hamilton "stated to our investigator that he did not state that Mr. Lumbrick's only interest was to secure new Farm Security Administration clients. He said: 'What

I did state was that Mr. Lumbrick's major interest was to get Farm Security Administration clients to participate in the artificial insemination project.'" No refutation is offered by Mr. Baldwin to that part of Mr. Hamilton's affidavit which reads as follows:

"This is to certify that I, Clifford Hamilton, Shelby County, Ill., was instructed by Arthur Lumbrick, supervisor of Farm Security Administration, to cooperate in the Artificial Breeding Association even though I objected to this cross of Guernsey bulls on my milking Shorthorn cows. Also instructed on that same occasion that unless I did cooperate in this service that the chattel mortgage held by the Farm Security Administration would be closed and I would be sold out in September 1940; for this same reason he told me I could not get a loan for seed beans to plant for hay and refused to consider it that same year."

The one thing in the affidavit which Mr. Baldwin attempted to rebut in the manner indicated above was the following statement:

"His interest was only for clients, not for service to farmers." (Affidavit reproduced on p. 788, House hearings, 1943 appropriation bill; Mr. Baldwin's rebuttal on p. 895, hearings, joint congressional committee, pt. 3.)

In regard to the case of Ed Lewis, a client of the Farm Security Administration and a member of the Black Belt Leasing Cooperative, Hale County, Ala., which was cited by the Farm Bureau investigator and a copy of supporting documents filed with the House Appropriations Subcommittee, including a copy of the farm and home plan of this client, marked "Alabama Exhibit 2," which showed that he had borrowed from Farm Security Administration \$2,406.50 over a period of 3 years, that he had repaid \$163.46, that he had received \$380 in grant checks (\$30 in 1939, his first year; \$165 grant his second year; and \$185 grant his third year) wherein it appeared that the grants had been used to aid the client to decrease the amount of indebtedness he otherwise would have owed, and it was alleged that Mr. Lewis stated he knew he could pay off his indebtedness, the only rebuttal offered by Mr. Baldwin to this case was the following statement:

"The case of Ed Lewis was discussed in somewhat haphazard fashion on page 805 of the hearings. It was charged that grants were made to repay his loan. I have already explained our policy of making grants to borrowers. (Hearings, pp. 914-916.) There is nothing in our records to indicate this policy has not been followed in the Lewis case" (p. 896, hearings, congressional joint committee).

No factual information is submitted concerning this case—only Mr. Baldwin's assertion "there is nothing in our records to indicate," etc.

In the case of William Rauscher, who made a sworn statement that he was solicited by a Farm Security Administration supervisor to buy stock in a proposed Farmers Union elevator but refused to do so, whereupon his grants were discontinued, Mr. Baldwin states that the Farm Security Administration "investigated this complaint in March 1939," and he adds: "It then appeared that there was no substance to the complaint." Mr. Baldwin states then that a review committee had decided that Rauscher did not need a continuation of his grant, but Mr. Baldwin does not deny the sworn statement that a Farm Security Administration supervisor solicited the client and put pressure on him to buy this stock. Such solicitation is in violation of Department of Agriculture regulations and the making of loans or grants for purchase of stock was probably illegal as there was no authorization either in the appropriation act or in the official justification submitted to Congress by Farm Security Administration stating the purposes for which loans would be made, to expend Rural Rehabilitation Loan funds for such purpose.

Similarly in the case of John Zeh, who submitted a sworn statement, Mr. Baldwin says "the complaint was found to have no substance," but again he does not deny or furnish any evidence to refute the sworn statement that this client was solicited by a Farm Security Administration representative to join the Farmers Union and told that before he could receive further grants, he must join and pay the \$3.50, and that he borrowed enough to pay this sum.

In both of the above cases, the clients have made sworn statements, in February 1942, which reiterate the charges, despite the denials of local Farm Security Administration officials.

Although Mr. Baldwin made a general assertion that he did not endorse the solicitation of clients and that "if they should be called to my attention, I would take immediate administrative action to have the practice stopped, he does not indicate that he took any action to stop the solicitation referred to in the two foregoing cases nor to discipline the employees concerned, nor does he refute the charges of solicitation.

Mr. Baldwin complained to the House committee that "the committee does not even have the reports of the investigators" of the Farm Bureau. This statement was incorrect, as a file of these reports with copies of exhibits was filed with the committee. The receipt of this evidence is acknowledged by Chairman TARTER on page 761 of the hearings from which the following is quoted:

"Mr. TARTER. Before the committee begins its hearing of Mr. Baldwin, I wish to call the attention of the committee to a letter with attached documents, which was transmitted to me under date of February 12, 1942, by Mr. Edward A. O'Neal, president of the American Farm Bureau Federation. * * * It will be noted that the letter requests the incorporation in the record of the hearings of a very great volume of documentary matter, to which I called the attention of the committee during the examination of Secretary Wickard, regarding this same subject matter, a few days ago. Part of the mass of documentary matter consists of the reports written by Mr. William G. Carr, an attorney at law, who, it is stated by Mr. O'Neal, was employed under the direction of the general counsel of the American Farm Bureau Federation, with reference to matters alleged to have been investigated by him in the States of Alabama, Louisiana, Mississippi, and Arkansas, in connection with the administration of the affairs in those States of the Farm Security Administration." (Pp. 760-761, hearings.)

The fact is that Mr. Baldwin is guilty of the very thing that he inaccurately accuses the Farm Bureau. As already indicated in numerous instances, and there are many other cases, Mr. Baldwin did not submit the reports of his investigators to the committee for incorporation in the record. We must rely upon his statements, frequently of a very general character, as to what facts were found by his investigators.

With respect to the charge that grant payments are used as a means of aiding borrowers in repaying their loans, Mr. Baldwin stated: "Of course, we follow no such policy," but he did not offer evidence to refute the specific cases cited; in some instances, the clients themselves reported that they were instructed by Farm Security Administration employees not to cash their grant checks but to endorse them and return them to the Farm Security Administration office so they could be credited on their loans. A former Farm Security Administration employee admitted, according to Mr. Carr's report, that the grant check was used for the sole purpose of improving the financial status of clients.

In the case of Ed Lewis, whose farm and home plan for 1941 was offered in evidence by the Farm Bureau, showing in detail his increasing indebtedness, a grant of \$30 in 1939 a grant of \$165 in 1940, and a grant of \$185 in 1941, a net worth of -\$687.19, in support of his statement to Mr. Carr that he knew he could never pay off his indebtedness, Mr. Baldwin in rebuttal states "He is in better shape than he has ever been before in his life, and he intends to remain under the program which has been worked out with him"; but Mr. Baldwin supplies no financial statement for this client. Mr. Baldwin further revealed that "he has been recently visited by our representatives, and states that he is satisfied with his participation in our program." Mr. Carr had reported that Lewis stated that he thought he would stick another year or maybe longer if he could get by.

In the case of Joe Davis of Lowndes County, Ala., Mr. Baldwin states: "It is not clear why the farm and home plan of Joe Davis, of Lowndes County, Ala., was introduced. We assume that the purpose was to show that too heavy a debt burden was placed on Mr. Davis." The purpose was clearly stated in Mr. Carr's report as follows:

"I am enclosing the farm and home plan of Joe Davis of Tyler, Ala., marking it exhibit 3-a. This shows that he became a client of the Farm Security Administration in 1939. At that time he received a loan of \$257. In 1940 he was given a loan of \$191.25, and in 1940 was made a grant of \$84.40. I talked with this client at some length and found that his mode of living was the same in 1940 as it was in 1939. He stated that if he needed any help for the items which grant checks are supposed to be given for he certainly needed it in 1939 but he did not receive a grant check at all for that year. In 1941 he received a grant check of \$84.10 and in 1941 his indebtedness, evidenced by notes, increased from \$448.25 to \$702.25, less payments of \$139.98, as is shown by exhibit 3.

"This case, I feel, is further evidence of how the grant check is used to decrease the indebtedness, rather than the purpose for which it is intended."

Mr. Baldwin in his reply after giving the amount of his loans and payments, but making no mention of grant payments, says that the client is slightly delinquent and adds "his latest financial statement indicates that

his loan is well secured." (P. 896, hearings, joint congressional committee.)

He offers no refutation or information with respect to the alleged use of grants to improve the loan status of the client, nor did he submit for the record a copy or attested summary of the client's financial record. We merely have Mr. Baldwin's statement that "His latest financial statement indicates that his loan is well secured."

In the case of K. T. Thomas, in which it appeared from evidence submitted by Mr. Carr taken from mortgage records of the probate court of Hale County, Ala., that a loan had been made on insufficient security and that the client had been burdened with too heavy a loan, Mr. Baldwin states that "Our records indicate that the loan as a whole is well secured; that the borrower has a substantial net worth; and that he has met all repayments on his loan," and that his position was so good "that he will not require a production loan for the coming crop year." Again, no factual information is submitted for the record to test the statement that "the loan as a whole is well secured," etc. Mr. Carr submitted specific data from court records in support of his statement; in fairness, Mr. Baldwin should have given detailed information as to what the Farm Security Administration records showed with respect to this case.

With respect to the charge that numerous houses were torn down on the Loch Lomond Plantation when it was taken over by Farm Security Administration, and that these houses were in excellent condition, made out of the finest hard cypress, built to last a hundred years, and with copper screens on windows and doors, and that new buildings were erected with resultant increase in the financial burden of the tenant purchasers, Mr. Baldwin states that "our records and the judgment of our experts is to the contrary."

Mr. Baldwin admits that production was reduced on several plantations taken over by Farm Security Administration and divided upon into tenant-purchase units, but he blames this upon the overcrowded condition of the plantations prior to Farm Security Administration control and to the subdivision into individual tracts. He explains, significantly, "Under previous management it was possible to concentrate the cotton on the best cotton land. Under the present system of operation, each operator has to produce cotton on his own farm. Some of the cotton may, hence, be produced on relatively poor cotton land." (P. 598, hearings, congressional joint committee.)

Mr. BYRD. Mr. President, I ask unanimous consent to insert as a part of my remarks a statement made by the Farm Credit Administration with respect to the number of loans handled by them.

The PRESIDING OFFICER. Is there objection?

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

SCHEDULE A

Loan years (calendar)	Loans made		Loans repaid as of Dec. 31, 1941				Unpaid as of Dec. 31, 1941		
	Number	Amount	Number	Percent of number made	Principal amount repaid	Percent of amount loaned	Number	Amount	Percent of amount loaned
State of Virginia:									
1929.....	2,435	\$255,913							
1930.....	19,886	2,313,335							
1931.....	12,372	1,106,479							
1932.....	18,127	1,428,936							
1933.....	10,909	760,070	65,142	72.5	\$6,293,993	80.2	24,686	\$1,550,745	19.8
1934.....	9,895	741,665							
1935.....	7,785	525,505							
1936.....	8,419	712,895							
1937.....									
Total 1929 to 1937, inclusive.....	89,828	7,844,738							

SCHEDULE A—Continued

Loan years (calendar)	Loans made		Loans repaid as of Dec. 31, 1941				Unpaid as of Dec. 31, 1941		
	Number	Amount	Number	Percent of number made	Principal amount repaid	Percent of amount loaned	Number	Amount	Percent of amount loaned
State of Virginia—Continued.									
1938.....	8,468	\$718,800	7,499	88.6	\$664,223	92.4	969	\$54,577	7.6
1939.....	8,024	741,265	7,101	88.5	653,189	92.2	923	58,076	7.8
1940.....	7,225	714,535	6,400	88.6	655,800	91.8	825	58,735	8.2
1941.....	7,014	726,005	4,685	66.8	1,534,878	73.6	2,329	191,727	26.4
Total, all Virginia loans.....	120,559	10,745,943	90,827	75.3	8,832,083	82.2	29,732	1,913,860	17.8
Entire United States (including Hawaii and Puerto Rico):									
Crop and feed loans:									
1929.....	46,097	5,758,680	1,999,003	67.0	3,935,678	68.1	984,000	1,823,002	31.9
1930.....	45,300	5,340,727			3,719,580	69.6		1,621,147	30.4
1931.....	438,952	55,787,096			41,694,443	74.7		14,092,653	25.3
1932.....	507,631	64,204,503			42,535,986	66.3		21,608,517	33.7
1933.....	633,585	57,375,939			48,153,450	83.9		9,222,489	16.1
1934.....	445,189	37,891,586			24,455,900	64.5		13,435,686	35.5
1935.....	424,441	57,419,914			31,782,820	55.3		25,637,094	44.7
1936.....	188,944	16,629,190			13,156,968	79.1		3,472,222	20.9
1937.....	252,894	32,503,280			21,862,652	67.3		10,640,628	32.7
Total 1929 to 1937, inclusive.....	2,983,003	174,557	134,328	76.9	15,678,072	79.8	40,229	3,969,463	20.2
1938.....	174,557	19,647,535	118,814	92.4	13,680,542	90.7	20,638	1,398,967	9.3
1939.....	139,452	15,079,509	128,141	79.7	17,060,519	87.4	32,648	2,456,111	12.6
1940.....	160,789	19,516,630	87,778	59.8	12,027,070	66.3	59,058	6,101,161	33.7
1941.....	146,836	18,128,231	2,468,064	68.4	289,743,680	71.5	1,136,573	115,539,140	28.5
Total all crop and feed loans.....	3,004,637	405,282,820	2,468,064	81.8	24,119,333	33.5	207,859	47,889,207	66.5
1934-35 drought feed loans.....	300,614	72,008,540	92,755	30.8					
Total, all loans.....	3,905,251	477,291,360	2,560,819	65.5	313,863,013	65.8	1,344,432	163,428,347	34.2

¹ Collections on the 1941 loan in the State of Virginia at Mar. 31, 1942, are \$600,821 or 82.6 percent of amount loaned.

² Collections on the 1941 loan at Mar. 31, 1942, are \$13,762,223 or 75 percent of amount loaned.

Department of Agriculture, Farm Credit Administration, Emergency Crop and Feed Loan Section.

SCHEDULE B

Calendar year	Average number of regular employees	Total yearly expense	Average yearly expense per employee	Average number unpaid loans per employee	Average yearly cost per unpaid loan	Average number of loans serviced per field supervisor
Baltimore office: ¹						
1929.....	(2)	(2)	(2)	(2)	(2)	(2)
1930.....						
1931.....						
1932.....						
1933.....						
1934.....	72	\$183,136	\$2,543	861	\$2.95	1,790
1935.....	77	223,772	2,906	789	3.68	2,014
1936.....	79	245,322	3,105	809	3.84	2,420
1937.....	88	267,730	3,042	725	4.20	2,170
1938.....	83	244,319	2,945	766	3.84	2,390
1939.....	83	251,826	3,034	783	3.86	2,330
1940.....	87	266,742	3,066	802	3.82	2,340
Entire United States (including Hawaii and Puerto Rico):						
1929.....	(4)	(4)	(4)	(4)	(4)	(4)
1930.....						
1931.....						
1932.....						
1933.....						
1934.....	2,188	5,183,194	2,369	380	6.23	1,480
1935.....	2,282	5,160,341	2,260	593	3.82	2,190
1936.....	1,893	5,879,450	3,106	876	3.55	3,220
1937.....	1,831	5,698,184	3,112	913	3.42	3,120
1938.....	1,542	4,139,483	2,685	999	2.69	3,070
1939.....	1,423	3,884,881	2,730	1,096	2.49	3,320
1940.....	1,384	3,771,546	2,720	1,104	2.47	3,750
1941.....	1,333	3,576,029	2,690	1,125	2.38	3,340
1942.....	1,280	3,505,966	2,750	1,182	2.34	3,380
1943.....	1,300	3,618,692	2,783	1,164	2.39	3,170

¹ Baltimore office serves 5 States—Delaware, Maryland, Pennsylvania, Virginia, and West Virginia; also Puerto Rico office opened July 1935.

² Baltimore office opened Sept. 21, 1934.

³ 1935 yearly costs low for the reasons: (1) Puerto Rico office not opened until July 1935. (2) Virginia field force on Memphis regional office pay rolls until spring of 1935.

⁴ Not available.

Department of Agriculture, Farm Credit Administration, Emergency Crop and Feed Loan Section.

Mr. HILL. Mr. President, I should like first to say a word of commendation of the Senator from Georgia [Mr. RUSSELL], chairman of the subcommittee of the Committee on Appropriations, having charge of the pending bill, as well as to commend the members of his subcommittee. There is no chairman of a subcommittee who brings a bill on the floor of the Senate who has a more thorough or more intimate knowledge of the bill, of its different provisions, and who makes a

more intelligent presentation of the provisions of the bill, than the distinguished Senator from Georgia.

I wish to dissent sharply from the statement of the senior Senator from Tennessee [Mr. McKellar] in his statement that Mr. Baldwin is a Communist. I have known Mr. Baldwin for 8 or 9 years. When I was a Member of the House of Representatives I worked in close collaboration with Mr. Baldwin on many different matters. I have sat in

many meetings and conferences with Mr. Baldwin. I have heard him express his views many times. I have never heard him utter one word or express one single thought and I have never known of him to do one single thing which would in any way give the basis for any such charge. On the contrary, everything I have ever heard Mr. Baldwin say and everything I have ever known him to do have been absolutely such as to make it apparent that he has full and absolute belief in America and in her institutions.

Mr. Baldwin has within his heart the gospel of humanity. He has a great passion to help and to do something for disadvantaged and underprivileged and exploited men, women, and children. If he has erred, his errors have been due, in my opinion, more to his zeal and to his devotion to human welfare, human rights, and human progress, than to any other thing.

Mr. President, I wish to say on the floor of the Senate, to the Members of the Senate, and to the Nation, that, in my opinion, Mr. Baldwin has not only been an able, devoted, and faithful public servant, but that he has at all times been an able, devoted, loyal, and patriotic American.

I have often thought that perhaps the finest passage in the Bible is to be found in the words—

Where there is no vision the people perish.

Mr. Baldwin has vision. He has the ability to project his mind and look down the corridors of time. If there is any one thing that America needs and has needed it is men of vision as her leaders in places of public trust in her Government. Mr. Baldwin is this type of public servant and leader.

Mr. President, "by their fruits" we are told, "we shall know them." Seven years

ago nearly one-half of the 32,000,000 farm people of our country were living in tenancy, sharecropping, or by day-to-day labor, with no land of their own, the masters of not a single acre and with little or no encouragement to save the soil or make better homes for themselves and their families. There had been a constant and tremendous increase in farm tenancy, particularly in the great wheat and corn and cattle sections of the country.

The Congress established the Farm Security Administration and during the past 7 years more than 1,000,000 farm families, either once on relief or dreadfully near the necessity for relief, have been started toward permanent self-support through the different programs of the agency. These farm families received from Farm Security Administration small loans that enabled them to revise their farm operations so that they no longer had to depend on the old one-cash-crop system which had held them poverty bound.

The Farm Security Administration taught them the importance of producing their own food and the feed for their livestock; taught them to develop at least two cash farm enterprises, so that they would have some cash income; taught them methods which rebuilt soil fertility. Thirty-eight percent of these farm families did not even have a cow when they got their loans—their children had no milk to drink; 43 percent of them did not possess a single hog, and 30 percent had no garden of any kind.

Last year the average one of these farm families produced 391 gallons of milk; 397 pounds of meat for home consumption, and canned a total of 226 quarts of fruits and vegetables, and they and their children at last began to live.

Farm Security Administration embarked upon a program to make medical care available at prices that low-income farm families could afford to pay, working under agreements with State and county medical associations. A survey made in Alabama, Georgia, South Carolina, and Florida shows that because of this program and balanced diets only 23.3 percent of the boys from Farm Security Administration families have been found unfit for Army service, whereas, on the contrary, 35.9 percent of all draftees in the area were rejected.

To date the Farm Security Administration has loaned \$574,000,000 to farm people who could not get credit from any other source. Based on past repayments, it is conservatively established that at least 80 percent of all Farm Security loans, both principal and interest, will be repaid.

Contrast the Farm Security Administration loan, with its rehabilitation, its repayment, its rebuilding of the citizen, with the expenditure of \$350 a year that it costs to maintain a farm family on direct relief, with no rehabilitation, no repayment, and no rebuilding of the citizen.

It is declared that the work of the Farm Security Administration must be abolished in the name of economy. We are told that our expenditures must go into war effort.

The President and the Department of Agriculture are calling for an all-out agricultural production program to win the war. We must have 3,000,000 additional acres in peanuts to take the place of oil we cannot import and 3,000,000 more acres of soybeans. We must have 9,000,000 more pounds of milk, 9,000,000 more hogs, and billions more eggs—more and more foodstuff of all kinds.

The real contribution to this all-out production necessity can be made only by the small farmer. The large commercial farmers are already producing almost to their capacity, their herds and fields are getting near maximum yield, while new difficulties face them because of lack of skilled and unskilled labor.

It is the small farmer—the low-income farmer—who, with his own and his family's labor, must supply the large amount of our war food increases. To do this the low-income farmer must have financial help from the Farm Security Administration to get fertilizer, work stock, machinery, and seed, and he must have direction from the Farm Security Administration on how to use these things for greater production.

The Farm Security Administration must continue its work to enable the low-income farmer to do his part in winning the war.

Many as are the problems facing us in this hour, we must not forget the lessons of the past. We must not permit the displacement or destitution of our farm families. We must preserve at all costs the democratic concept of the free American farmer on his own plot of land. We must preserve our American rural life, for when the present struggle is over we can have a sound and healthy economic existence only if we have a sound and healthy agriculture.

We fight for the "four freedoms."

I am proud that the Farm Security Administration has helped so many of our farmers to prove the mettle of their pastures and has helped by friendly assistance and leadership to nurture them to freedom from want, enabling them to again stand erect, independent, self-supporting and useful citizens for agriculture and for all the best interests of our country—enabling them to salvage and to save their children and "rebuild in them the music and the dream."

What shall the sacrifices of our boys in the far islands of the sea, yes, in the struggle for our own land; what shall their sacrifices, their sufferings avail us; what shall it avail us if we gain the whole world but lose our own soul?

MR. PEPPER. Mr. President, I know of no class of our people whom Burns might have had more completely in mind when he said:

Man's inhumanity to man
Makes countless thousands mourn.

than the underprivileged farm class of this country. I do not have the statistics before me relative to farm income exclusively, but I know that as of recent date the statistics generally indicate that about 14 percent of the 29,000,000 American families have an annual income of less than \$500 a year; 42 percent less than \$1,000; 65 percent less than \$1,500; 87 percent less than \$2,500; 97 percent less

than \$5,000; and that only 1 percent of the whole 29,000,000 families have an annual income of \$10,000 or more.

In other words, so far as annual income is concerned, Members of Congress are privileged to be in the class which constitutes 1 percent of America's 29,000,000 families. Nearly half of America's families have an annual gross income of less than \$1,000. It is to those homes, to a large extent, to which we must look not only for the citizenry but the soldiery of America. Indeed, upon them, to a large degree, depends the issue of the struggle for freedom which today shakes the world.

What are we fighting for? A little while ago we saw in certain parts of the world no great enthusiasm for the side with which we are associated in this war, perhaps due to the fact that the natives saw no great preference in the choice they had to make between their then masters and the would-be masters who were knocking at their doors. Perhaps those associated with us, whose friendship and cooperation we esteem, had not made it sufficiently clear to those people that if our cause prevails new horizons of life will be opened up, even to the savage, the slave, or the underprivileged citizenry of a subjugated land.

On the contrary, in the areas where we had granted the boon of freedom, where we had lent the helping hand in good will with honesty, we have found a quality of courage, bravery, and sacrifice which has been an epic in human heroism. All of us, of course, know that what I have said relates to our comrades in the Philippines. So it seems that from a people who have enjoyed favor and fortune at our hands we have militant support. In other areas, where freedom has not been held out as an assurance, we do not find that kind of sacrificial comradeship in arms.

Here at home, in my opinion, is a good place to begin to show what we offer to the human race if our cause, God helping us, is victorious in this contest. If in a rich land like the United States we cannot offer adequate health to our people; if we cannot give sufficient housing to our citizenry; if we cannot bestow upon them the elemental advantage of a decent education; if we cannot open unto them the beckoning doors of economic opportunity, I wonder if we are worthy to be depended upon by the less fortunate peoples of the earth as harbingers of a new day for the rest of mankind. In our own country, in my own State, American families are living in squalor which should be obnoxious to the sensibilities of any man. Yet too often when we propose to lift them up, to give them the advantage of their country's concern, guidance, and help, well-intentioned but uninformed men say that it is an extravagance and a profligacy, and that we are wasting our substance upon riotous living for the benefit of undeserving people.

Mr. President, the Farm Security Administration appropriation is a guide; it is a straw in the wind to indicate the way. We are thinking about democracy. A few evenings ago I had the privilege of listening to the distinguished Minister

from New Zealand, Mr. Nash. I had heard of him by repute. I heard him tell an epic tale of what was being done in his country to make democracy work for its people. I honor the experiments and the success they have shown. If the Government wills it, and its leaders are intelligent, courageous, understanding, and patient, the Government may be a boon to man, may lift up the down-trodden, and hold the light for those who have struggled in darkness all the days of their life.

Mr. BONE. Mr. President, will the Senator yield?

The PRESIDING OFFICER (Mr. MURDOCK in the chair). Does the Senator from Florida yield to the Senator from Washington?

Mr. PEPPER. I yield.

Mr. BONE. It might interest my friend from Florida to have suggested to him some figures with respect to farm income which appeared in the National Grange Monthly for May 1942. This article refers to the 1940 census, which reveals figures as to housing conditions, concerning which the Senator is speaking, and the farmers' rather unfavorable income position from that angle.

In 1940 the per capita net income of the country was reflected in a nonfarm income of \$700. The farm income from crops including an allowance for rent and produce used from the farm, was \$169, and Government payments were \$183. Among the farm homes 16.1 percent were overcrowded. Thirty-three and nine-tenths percent of the homes were in need of major repairs, and, according to this table, 89.4 percent were without a private bath, which will give us some idea of what the American farm home is like.

Mr. PEPPER. The Senator is correct.

Mr. President, why have these conditions not been improved in the United States? Is it because we do not know the facts? I regret to say that there are some who will not admit them, and unhappily others not informed of them, because the highway upon which they have trod has not led them by the low places where humble men and women have lived in abject poverty.

I hear some of my colleagues speak about having come up through the humble walks of life, as did many of the others of us, but it has been a long while since my able friend, the Senator from Tennessee, has had an income of less than \$5,000 a year. It is easy to sit on the Appropriations Committee and talk about what is demoralizing the farm family when we are spending \$10,000 a year for our own sustenance, living in commodious hotel surroundings, eating too much food, and having other conveniences and comforts. It is a very easy pastime to speculate, as a philosopher, on what is good for the impoverished and wonder if we are not being too generous with him, letting him have too many benefits, too comfortable a bed, too good a home, or too many visits to the motion-picture theater.

When governmental agencies are fixing living wages for workers in factories and defense plants we talk in terms of an American standard of living, and rightly so. I am glad to see every additional

dollar which has been added to the income of the worker in the factory. In most cases he deserves it. I am glad to see the children of the factory worker, the skilled laborer, and the artisan able to go to school and live the life which American children deserve to live. Yet I hear Senators scorn a program which would include the possibility of the child of a poor family occasionally going to a picture show. A little provision is made for his health. A pittance is included for payment of doctors' bill for the health of the family. There is even included an allowance for paying a dentist, in order that the children in the Farm Security home may have some chance of having their teeth taken care of. The whole income has been budgeted and balanced, insofar as possible, so that recreation, health, and living conditions may all be provided for.

We take good care of the members of the farm federations. Oh, they have their eloquent and distinguished spokesmen here in advocacy of the cost of parity. Do we deny to them in the consideration of the parity price a chance for their children to go to the picture show or to pay a doctor's bill or to enjoy a little recreation generally; or do we, as the Senator said, make provision for them to pay their membership fees in the Knights of Pythias lodge, or even as the distinguished Senator from Maryland indicated, perhaps take a hard drink every now and then?

Too often when we speak about aid to agriculture we are talking about the type of farmer who needs help, but not more so than do others who happen also to be chained to the soil of the farm, to the good earth.

There are other farmers who are even more needy than they, if preference must be shown. I would not take away a dime from the benefits which go to the farmers of this country. They deserve all the benefits they receive, and more. I want to see the mandate of this Congress indicated to Mr. Leon Henderson and to anyone else concerned. The protection which the Congress has intentionally and designedly thrown around farmers in respect to what they are to receive for the products of their labor and their farms must not be taken away from them.

It seems to me that this group of our citizens more than any other should appeal to the sympathy and understanding of Congress and the country. Mr. Baldwin assures me in a letter which I have on my desk, that the particular appropriation has now been cut to such a point that only one-half the migratory-labor camps which are already constructed and in existence can be operated in the fiscal year for which this bill makes appropriations, whereas the Bureau of the Budget recommended that \$105,000,000 be made available to these little farmers by the Reconstruction Finance Corporation in order that they may aid in the defense effort, the prosecution of the war, by the production of food. That appropriation has been cut to \$50,000,000 by the committee.

I do not know why the committee chose to ignore the recommendation of the Bureau of the Budget, accompanied by a letter from the President. I do not know

what special knowledge it may have had which was not available to the Bureau of the Budget or to the President. Mind you, Mr. President, that request was a supplemental request, evidently related to a need which the Bureau of the Budget and the President knew to exist. However, I suppose it would avail nothing if I should offer an amendment to increase that amount, in the face of the action which the committee has taken. Such action simply means a continuation of the poverty and lack of opportunity to which many of our citizens have so long been accustomed. I suppose perhaps we might remember with some comfort and consolation to them the lines which Byron used in the Prisoner of Chillon:

My very chains and I grew friends,
So much a long communion tends
To make us what we are—even I
Regain'd my freedom with a sigh.

Mr. BARKLEY. Mr. President, it is now nearly 5 o'clock, and a number of Senators have left the Chamber with the understanding that probably there would not be a vote on the amendment today. I should like to ask the Senator from Georgia what his preference is in the matter.

Mr. RUSSELL. Mr. President, I am not prepared to insist on a vote. However, I point out that the attendance of Senators is amazingly large for this hour of the day.

Mr. BARKLEY. Yes; there is a rather good attendance.

Mr. RUSSELL. I do not know when I have seen so many Senators present in the Senate at so late an hour.

Mr. BARKLEY. If the amendment were to be voted on this evening, and if a ye-a-and-nay vote were called for, which would probably be the case, it would be necessary to have a quorum call before the vote was taken. It is immaterial to me whether the amendment is voted on tonight or tomorrow. I am ready to vote now or tomorrow, whichever the Senator prefers.

Mr. RUSSELL. Is the Senator advised that the yeas and nays will be requested on the amendment?

Mr. BARKLEY. The Senator from Virginia [Mr. BYRD] has indicated that a record vote will be called for.

Mr. RUSSELL. In view of that statement, I think we might as well let it go over until tomorrow.

Mr. JOHNSON of Colorado. Mr. President, will the Senator yield to me?

Mr. BARKLEY. I yield.

Mr. JOHNSON of Colorado. I shall be very much disappointed if the vote is postponed, inasmuch as I have already made arrangements to leave the city tonight. Of course, I know that we cannot adjust matters to meet the convenience of a single Senator, but I should dislike to lose a chance to cast my vote on the questions presented in this bill.

Mr. BARKLEY. Frankly, I had hoped that we might vote on the whole bill today.

Mr. RUSSELL. Mr. President, will the Senator from Kentucky consider asking that a time be fixed when we may vote on the matter tomorrow?

Mr. BARKLEY. I am willing to vote on it as soon as we meet.

Mr. RUSSELL. I know that at least one Senator now in the Chamber wishes to speak on it.

Mr. BARKLEY. I wonder if we can agree to vote on it not later than 1 o'clock tomorrow. Will that be satisfactory?

Mr. LA FOLLETTE. Mr. President, will the Senator yield?

Mr. BARKLEY. I yield.

Mr. LA FOLLETTE. I had intended to discuss the subject matter involved in the Farm Security Administration controversy. I am perfectly willing to forego that privilege if it is desired to vote tonight; but if it is to go over until tomorrow I should much prefer that the time not be limited, because it is always possible for one or two Senators to take up all the time.

Mr. BYRD. I have no objection to having a vote tonight.

Mr. BARKLEY. Then I suggest that we have a vote tonight.

Mr. President, I make the point of no quorum. I think we may get a quorum and vote tonight.

The PRESIDING OFFICER. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Aiken	Ellender	Murdock
Andrews	Gerry	Norris
Austin	Glass	Nye
Bailey	Green	O'Daniel
Bankhead	Gurney	O'Mahoney
Barkley	Hayden	Overton
Bilbo	Hill	Pepper
Bone	Holman	Radcliffe
Brewster	Hughes	Rosier
Brooks	Johnson, Colo.	Russell
Brown	Kilgore	Schwartz
Bunker	La Follette	Smith
Butler	Lee	Spencer
Byrd	Lucas	Stewart
Capper	McCarran	Taft
Caraway	McFarland	Thomas, Okla.
Chavez	McKellar	Truman
Clark, Mo.	McNary	Tunnell
Connally	Maybank	Walsh
Danaher	Mead	Wheeler
Doxey	Millikin	Willis

The PRESIDING OFFICER. Sixty-three Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment of the committee on page 85, line 23.

Mr. NORRIS. I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. TAFT. A parliamentary inquiry.

The PRESIDING OFFICER. The Senator will state it.

Mr. TAFT. Is the vote on the committee amendment?

The PRESIDING OFFICER. The question is on agreeing to the committee amendment on page 85, line 23.

Mr. TAFT. To increase the appropriation?

The PRESIDING OFFICER. To increase the appropriation from \$25,319,557 to \$50,319,557.

The yeas and nays having been ordered, the clerk will call the roll.

The legislative clerk proceeded to call the roll.

Mr. BARKLEY (when Mr. CHANDLER's name was called). My colleague, the junior Senator from Kentucky [Mr. CHANDLER], is unavoidably absent. If present he would vote "yea."

Mr. GLASS (when his name was called). I have a general pair with the

Senator from Massachusetts [Mr. LODGE]. Being assured that if present he would vote as I intend to vote, I am at liberty to vote. I vote "nay."

Mr. HAYDEN (when his name was called). I have a pair with the Senator from Idaho [Mr. THOMAS]. I am advised that if present he would vote as I shall vote, and I am therefore at liberty to vote. I vote "yea."

Mr. HILL (when his name was called). The senior Senator from Maryland [Mr. TYDINGS] had to leave the floor of the Senate a few minutes ago on an important matter. I have a pair with the Senator from Maryland on this vote. If I were permitted to vote I should vote "yea." If the Senator from Maryland were present and voting he would vote "nay."

Mr. McNARY (when the name of Mr. THOMAS of Idaho was called). The Senator from Idaho [Mr. THOMAS] is absent. If present he would vote "yea."

The roll call was concluded.

Mr. HILL. I announce that the Senator from South Dakota [Mr. BULOW], the Senator from Idaho [Mr. CLARK], the Senator from Pennsylvania [Mr. GUFFEY], the Senator from Iowa [Mr. HERRING], the Senator from Connecticut [Mr. MALONEY], the Senator from New Mexico [Mr. HATCH], the Senator from Montana [Mr. MURRAY], the Senator from North Carolina [Mr. REYNOLDS], the Senator from Utah [Mr. THOMAS], the Senator from Indiana [Mr. VAN NUYS], the Senator from New York [Mr. WAGNER], and the Senator from Washington [Mr. WALLGREN] are necessarily absent from the Senate.

The Senator from California [Mr. DOWNEY] is detained on official business in his State.

The Senator from Georgia [Mr. GEORGE], the Senator from Iowa [Mr. GILLETTE], and the Senator from New Jersey [Mr. SMATHERS] are detained on business in Government departments.

I am advised that if present and voting, the Senator from Pennsylvania [Mr. GUFFEY], the Senator from New Mexico [Mr. HATCH], the Senator from Montana [Mr. MURRAY], the Senator from New Jersey [Mr. SMATHERS], the Senator from New York [Mr. WAGNER], and the Senator from Washington [Mr. WALLGREN] would vote "yea."

Mr. AUSTIN. The Senator from New Jersey [Mr. BARBOUR] is absent because of illness.

The Senator from New Hampshire [Mr. BRIDGES] is absent as a result of an injury and illness. He has a general pair with the Senator from Utah [Mr. THOMAS].

The Senator from Pennsylvania [Mr. DAVIS] is absent on official business. He has a general pair with the Senator from Kentucky [Mr. CHANDLER].

The Senator from Massachusetts [Mr. LODGE], the Senator from Kansas [Mr. REED], the Senator from Idaho [Mr. THOMAS], the Senator from Minnesota [Mr. SHIPSTEAD], the Senator from New Hampshire [Mr. TOBEY], and the Senator from Ohio [Mr. BURTON] are necessarily absent.

The Senator from Kansas [Mr. REED] has a general pair with the Senator from New York [Mr. WAGNER].

The Senator from Michigan [Mr. VANDENBERG] is detained on official business.

The result was announced—yeas 48, nays 16, as follows:

YEAS—48

Aiken	Danaher	Murdock
Andrews	Doxey	Norris
Austin	Ellender	Nye
Bailey	Green	O'Daniel
Ball	Gurney	O'Mahoney
Bankhead	Hayden	Overton
Barkley	Hughes	Pepper
Bilbo	Johnson, Colo.	Rosier
Bone	La Follette	Russell
Brewster	Langer	Schwartz
Brown	Lee	Smith
Bunker	Lucas	Stewart
Capper	McCarran	Thomas, Okla.
Caraway	McNary	Truman
Chavez	Maybank	Tunnell
Connally	Mead	Wheeler

NAYS—16

Brooks	Holman	Spencer
Butler	Kilgore	Taft
Byrd	McFarland	Walsh
Clark, Mo.	McKellar	Willis
Gerry	Millikin	
Glass	Radcliffe	

NOT VOTING—32

Barbour	Hatch	Thomas, Idaho
Bridges	Herring	Thomas, Utah
Bulow	Hill	Tobey
Burton	Johnson, Calif.	Tydings
Chandler	Lodge	Vandenberg
Clark, Idaho	Maloney	Van Nuys
Davis	Murray	Wagner
Downey	Reed	Wallgren
George	Reynolds	White
Gillette	Shipstead	Wiley
Guffey	Smathers	

So the amendment of the committee was agreed to.

Mr. RUSSELL. Mr. President, I ask unanimous consent to have printed in the RECORD immediately following the vote on the amendment on page 85, line 23, communications from the Railway Labor Executives' Association, from the Congress of Industrial Organizations, and from the National Federation of Grain Cooperatives, supporting the amendment which the Senate has just agreed to.

There being no objection, the communications were ordered to be printed in the RECORD, as follows:

RAILWAY LABOR EXECUTIVES' ASSOCIATION,
Washington, D. C., May 15, 1942.

HON. RICHARD B. RUSSELL,
Chairman, Senate Committee
on Agriculture,

Senate Office Building,
Washington, D. C.

DEAR SENATOR: In our letter to you and all members of the committee, dated April 2, our association expressed its support in behalf of adequate appropriations for Farm Security Administration.

We now commend your committee for its recommendations for an enlarged Farm Security Administration food-for-victory program. We hope that the Senate will adopt your recommendations. We shall undoubtedly need maximum production of every farm family to meet our food and fiber needs in 1943.

A vote against your recommendations, we feel, will be a vote favoring ration cards for many food products in 1943, and be a blow at our war production and efficiency.

Very sincerely yours,

J. G. LUHRSEN, Executive Secretary.

WASHINGTON, D. C., May 16, 1942.

HON. RICHARD B. RUSSELL,
Senate Office Building,
Washington, D. C.

May I reiterate the stand of the Congress of Industrial Organizations in support of more adequate assistance to the 2,700,000 low-income farmers of the Nation, especially

through the essential aid given by Farm Security Administration. The Congress of Industrial Organizations supports the action of the Senate Appropriations Committee in increasing the food-for-victory program by \$55,000,000 in loan authorization. This portion of President Roosevelt's request will promote the efficient use of human and land resources in 1943 and prevent the necessity for ration cards for meats and other foods. The Congress of Industrial Organizations commends your committee for restoring to the Agricultural Marketing Administration \$44,500,000 which will allow expansion of the school-lunch program and continuation of the stamp plan, both of which are greatly needed. Although the committee has not seen fit to press for appropriations equal in adequacy to the provisions made for production of other war materials, such as planes, guns, and tanks. The committee is to be thanked for repulsing and rebuking those interests and spokesmen who would have used the war emergency to promote economic disfranchisement of working farmers. They are the same interests who have been defeated in their attempts to handcuff labor. The Congress of Industrial Organizations urges the Senate to stand firm on the recommendations of your committee.

JAMES B. CAREY,
Secretary, Congress of Industrial Organizations.

WASHINGTON, D. C., May 4, 1942.
Senator RICHARD B. RUSSELL,
410 Senate Office Building:

Congratulations to you and your committee for your statesmanlike decisions on farm-supply bill. Our organizations and I, as their legislative chairman, are standing 100 percent behind you and the committee's recommendations. We are rallying all possible support for you. Please stand firm on the record and we will have won half of the battle for food. The farmers of the Nation will help you win the other half as the need arises. Our thanks to you for such leadership in time of world crisis.

M. W. THATCHER,
Legislative Chairman, National Farmers' Union; President, National Federation of Grain Cooperatives.

Mr. RUSSELL. Mr. President, the amendment, on page 87, line 5, in effect, is a part of the one just agreed to, providing, as it does, a part of the loan fund, and I think we should vote on it now.

The VICE PRESIDENT. The next amendment of the Committee on Appropriations will be stated.

The next amendment was, on page 87, line 5, after the word "exceed", to strike out "\$70,000,000" and insert "\$125,000,000."

The VICE PRESIDENT. The question is on agreeing to the amendment.

The amendment was agreed to.

The VICE PRESIDENT. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, on page 88, line 7, after the words "excess of", to strike out "\$1,000" and insert "\$2,500."

The amendment was agreed to.

Mr. RUSSELL. The only other committee amendment left, involving as it does the disposition of surplus commodities, could not possibly be acted upon this afternoon. Therefore, I suggest to the Senator from Kentucky that it go over until tomorrow.

EXECUTIVE SESSION

Mr. BARKLEY. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The VICE PRESIDENT laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the appropriate committees.

(For nominations this day received, see the end of Senate proceedings.)

EXECUTIVE REPORTS OF COMMITTEES

The following favorable reports of nominations were submitted:

By Mr. VAN NUYS, from the Committee on the Judiciary:

Henry Grady Vien, of Illinois, to be United States attorney for the eastern district of Illinois, vice Arthur Roe, deceased.

By Mr. McKELLAR, from the Committee on Post Offices and Post Roads:

Sundry postmasters.

The VICE PRESIDENT. If there be no further reports of committees, the clerk will state the nominations on the Executive Calendar.

SELECTIVE SERVICE SYSTEM

The legislative clerk read the nomination of Austin S. Imirie, to be principal administrative officer in national headquarters, Selective Service System.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

The legislative clerk read the nomination of Earl D. Krickbaum, of Pennsylvania, to be principal statistician in the Selective Service System.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

THE MARINE CORPS

The legislative clerk proceeded to read sundry nominations in the Marine Corps.

Mr. BARKLEY. I ask that the nominations in the Marine Corps be confirmed en bloc.

The VICE PRESIDENT. Without objection, the nominations in the Marine Corps are confirmed en bloc.

That concludes the Executive Calendar.

Mr. BARKLEY. I ask that the President be notified of all nominations this day confirmed.

The VICE PRESIDENT. Without objection, the President will be notified forthwith.

UNITED STATES ATTORNEY

Mr. LUCAS. Mr. President, there recently occurred a vacancy through death in the office of the United States attorney for the Eastern District of Illinois. The President has nominated Henry Grady Vien, of Illinois, to be United States attorney for the eastern district of Illinois. That nomination has been approved by the Judiciary Committee of the United States Senate and was favorably reported from that committee earlier today. Under the rule of the Senate, that nomination must lie over for 24 hours. In view of the fact that the Federal grand jury for the eastern district of Illinois is in session at this time, I ask that the nomination be considered and confirmed today notwithstanding the rule.

Mr. WHEELER. Mr. President, has the nomination been reported favorably from the Judiciary Committee?

Mr. LUCAS. Yes. I so stated, I will say to the Senator from Montana.

The VICE PRESIDENT. Is there objection to the present consideration of the nomination? The Chair hears none. The nomination will be stated.

The legislative clerk read the nomination of Henry Grady Vien, of Illinois, to be United States attorney for the eastern district of Illinois.

The VICE PRESIDENT. Without objection, the nomination is confirmed.

Mr. LUCAS. I ask that the President be notified.

The VICE PRESIDENT. Without objection, the President will be notified.

LEGISLATIVE SESSION

Mr. BARKLEY. I move that the Senate resume the consideration of legislative business.

The motion was agreed to; and the Senate resumed the consideration of legislative business.

INCREASED USE OF INLAND WATERWAYS FOR TRANSPORTATION PURPOSES

Mr. LUCAS. Mr. President, from the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably, with an additional amendment, Senate Resolution 241, submitted by the Senator from South Carolina [Mr. MAYBANK] on April 30, 1942, and I ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. Is there objection?

There being no objection, the Senate proceeded to consider the resolution, which had been reported previously from the Committee on Commerce, with an amendment on page 2, line 3, after the word "seventh", to strike out "and succeeding Congresses," and to insert "Congress."

The amendment was agreed to.

The amendment of the Committee to Audit and Control the Contingent Expenses of the Senate was, on page 2, line 11, after the word "exceed" and the dollar sign, to insert "5,000."

The amendment was agreed to.

The resolution as amended was agreed to, as follows:

Resolved, That the Committee on Commerce, or any duly authorized subcommittee thereof, is authorized and directed to make a full and complete investigation and study of means by which the inland waterways of the United States may be more fully utilized, with a particular view toward providing for increasing the use of existing waterways for the transportation of petroleum products and other articles and commodities. The committee shall report to the Senate, at the earliest practicable date, the results of its investigation with such recommendations as it deems advisable.

For the purposes of this resolution, the committee, or any duly authorized subcommittee thereof, is authorized to hold such hearings, to sit and act at such times and places during the sessions, recesses, and adjourned periods of the Seventy-seventh Congress, to employ such clerical and other assistants, to require by subpoena or otherwise the attendance of such witnesses and the production of such correspondence, books, papers, and documents, to administer such oaths, to take such testimony, and to make such expenditures as it deems advisable. The cost of stenographic services to report such hearings shall not be in excess of 25 cents per hundred words. The expenses of the committee,

which shall not exceed \$5,000, shall be paid from the contingent fund of the Senate upon vouchers approved by the chairman of the committee.

ASSISTANT CLERK, COMMITTEE ON PUBLIC LANDS AND SURVEYS

Mr. LUCAS. From the Committee to Audit and Control the Contingent Expenses of the Senate, I report favorably Senate Resolution 245, and ask unanimous consent for its present consideration.

The VICE PRESIDENT. Is there objection?

There being no objection, the resolution, submitted by Mr. HATCH on May 12, 1942, was considered and agreed to, as follows:

Resolved, That the Committee on Public Lands and Surveys is hereby authorized to employ, beginning June 1, 1942, for the duration of the Seventy-seventh Congress, an assistant clerk, to be paid from the contingent fund of the Senate at the rate of \$2,880 per annum.

DEATH OF REPRESENTATIVE PATRICK J. BOLAND

The VICE PRESIDENT laid before the Senate the following resolution (H. Res. 483) from the House of Representatives, which was read:

IN THE HOUSE OF REPRESENTATIVES,
UNITED STATES,
May 18, 1942.

Resolved, That the House has heard with profound sorrow of the death of Hon. PATRICK J. BOLAND, a Representative from the State of Pennsylvania.

Resolved, That a committee of 35 Members of the House, with such Members of the Senate as may be joined, be appointed to attend the funeral.

Resolved, That the Sergeant at Arms of the House be authorized and directed to take such steps as may be necessary for carrying out the provision of these resolutions and that the necessary expenses in connection therewith be paid out of the contingent fund of the House.

Resolved, That the Clerk communicate these resolutions to the Senate and transmit a copy thereof to the family of the deceased.

Resolved, That as a further mark of respect the House do now adjourn.

Mr. BARKLEY. Mr. President, for the Senators from Pennsylvania [Mr. DAVIS and Mr. GUFFEY], I submit a resolution and ask unanimous consent for its immediate consideration.

The VICE PRESIDENT. The resolution submitted by the Senator from Kentucky will be read.

The resolution (S. Res. 252) was read, considered by unanimous consent, and unanimously agreed to, as follows:

Resolved, That the Senate has heard with profound sorrow the announcement of the death of Hon. PATRICK J. BOLAND, late a Representative from the State of Pennsylvania.

Resolved, That a committee of two Senators be appointed by the Vice President to join the committee appointed on the part of the House of Representatives to attend the funeral of the deceased Representative.

Resolved, That the Secretary communicate these resolutions to the House of Representatives and transmit a copy thereof to the family of the deceased.

The VICE PRESIDENT. Under the terms of the resolution, the Chair appoints the Senators from Pennsylvania

[Mr. DAVIS and Mr. GUFFEY] the committee on the part of the Senate.

RECESS

Mr. BARKLEY. Mr. President, as a further mark of respect to the memory of the deceased Representative, I move that the Senate take a recess until 12 o'clock noon tomorrow.

The motion was unanimously agreed to; and (at 5 o'clock and 19 minutes p. m.) the Senate took a recess until tomorrow, Tuesday, May 19, 1942, at 12 o'clock noon.

NOMINATIONS

Executive nominations received by the Senate, May 18 (legislative day of May 15), 1942:

DIPLOMATIC AND FOREIGN SERVICE

William Langdon Sands, of Florida, to be a Foreign Service officer, unclassified, a vice consul of career, and a secretary in the Diplomatic Service of the United States of America.

REGISTER OF THE LAND OFFICE

Clarence W. Ogle, of Oregon, to be register of the Land Office at Lakeview, Oreg. (reappointment).

APPOINTMENTS IN THE REGULAR ARMY

TO BE SECOND LIEUTENANT, CAVALRY, WITH RANK FROM DATE OF APPOINTMENT

Second Lt. William Sayers McCauley, Cavalry Reserve.

APPOINTMENT BY TRANSFER IN THE REGULAR ARMY OF THE UNITED STATES

TO ADJUTANT GENERAL'S DEPARTMENT

Capt. Kenneth Earl Thiebaud, Infantry (temporary lieutenant colonel, Army of the United States), with rank from June 14, 1937.

TO FINANCE DEPARTMENT

First Lt. Oscar Rawles Bowyer, infantry (temporary major, Army of the United States), with rank from June 12, 1938.

TO ORDNANCE DEPARTMENT

First Lt. Severin Richard Beyma, Coast Artillery Corps (temporary major, Army of the United States), with rank from June 12, 1937.

First Lt. John Rigden Van Dickson, Infantry (temporary major, Army of the United States), with rank from June 12, 1939.

TO AIR CORPS

Capt. Elwin Herklas Eddy, Field Artillery, with rank from June 11, 1941.

First Lt. Benjamin Oliver Davis, Jr., Infantry (temporary captain, Army of the United States), with rank from June 12, 1939.

First Lt. Francis Carlton Truesdale, Infantry (temporary captain, Army of the United States), with rank from July 3, 1940.

Second Lt. Jack Curtright McClure, Jr., Field Artillery, with rank from June 11, 1941.

Second Lt. Marshall Warren Carney, Coast Artillery Corps, with rank from June 11, 1941.

Second Lt. Curtis Francis Betts, Coast Artillery Corps, with rank from June 11, 1941.

Second Lt. Samuel Wilson Parks, Coast Artillery Corps, with rank from June 11, 1941.

Second Lt. Paul Allard Kirk, Field Artillery, with rank from July 1, 1941.

PROMOTIONS IN THE REGULAR ARMY OF THE UNITED STATES

TO BE COLONELS WITH RANK FROM MAY 1, 1942

Lt. Col. Henry William Harms, Air Corps (temporary colonel, Air Corps; temporary colonel, Army of the United States).

Lt. Col. John Earl Lewis, Field Artillery (temporary brigadier general, Army of the United States).

Lt. Col. Walton Harris Walker, Infantry (temporary major general, Army of the United States).

Lt. Col. Millard Fillmore Harmon, Air Corps (temporary colonel, Air Corps; temporary major general, Army of the United States).

Lt. Col. John Duncan Kelly, Cavalry (temporary colonel, Army of the United States).

CONFIRMATIONS

Executive nominations confirmed by the Senate May 18 (legislative day of May 15), 1942:

UNITED STATES ATTORNEY

Henry Grady Vlen to be United States attorney for the eastern district of Illinois.

SELECTIVE SERVICE SYSTEM

Austin S. Imirie to be a principal administrative officer in national headquarters, Selective Service System. (Compensation to be \$5,600 per annum.)

Earl D. Krickbaum to be a principal statistician in the Selective Service System. (Compensation to be \$5,600 per annum.)

PROMOTIONS IN THE MARINE CORPS

The nominations of Philip H. Torrey et al. for promotion in the Marine Corps, which were referred to the committee on May 12, 1942.

(NOTE.—A full list of the persons whose nominations for promotion in the Marine Corps were confirmed today may be found in the CONGRESSIONAL RECORD of May 12, 1942, under the caption "Nominations," beginning on p. 4093.)

HOUSE OF REPRESENTATIVES

MONDAY, MAY 18, 1942

The House met at 12 o'clock noon.

The Chaplain, Rev. James Shera Montgomery, D. D., offered the following prayer:

Eternal God, our Father, Thou who hearest prayer and knowest our need, open our hearts and minds, making us aware that the whole earth is ablaze with Thy glory. Thou dost shed light upon every path and dost reveal the majesty of every common task. Continue to raise our conceptions of righteousness and justice and hold us beneath their sway for the sake of humankind and with an abounding realization that human liberty is hard to get and easy to lose. Come, dear Lord, from whom the living waters flow, and course through our deeds and purposes and make them pure.

Look Thou upon the afflicted ones who are stricken with grief and must take up their burdens again, finding strength and comfort in the blessed name of the Lord. Thou hast called unto Thyself, dear Father, one of our own; he loved his country, his church, and his Redeemer. To his memory we give unstinted tributes of personal worth and appreciation. "Thy will be done" in the name of St. Mary's Holy Child. Vouchsafe unto all his loved ones the peace and rest which flow from Thy holy presence. In the precious name of Jesus, our Saviour. Amen.